Mr. JITENDRA N. BAJPAI  
Sector Director, Transport Sector Unit  
East Asia and Pacific Region  
The World Bank  
1818 H. Street, N. W.  
Washington D.C. 20433  
U.S.A.

Sir:

SUBJECT: MMURTRIP REPORTS

We are submitting the following reports for Metro Manila Urban Transport Integration Project (MMURTRIP):

1. Environmental Assessment Report
2. Resettlement Plan for Marikina Bridge and Access Roads component
3. Resettlement Action Plan for Don Mariano Marcos Avenue Extension
4. Initial Environmental Examination, Phase I

Likewise, we are authorizing the Bank to disclose the contents of the said Reports.

Very truly yours,

TEODORO T. ENCARNACION  
Undersecretary
I. INTRODUCTION

1. This report is presents the status and action plan of the Government acquisition of the right-of-way for the Don Mariano Marcos Ave. Extension, a secondary road identified for improvement under the Metro Manila Urban Transport Integration Project (MMURTRIP) being proposed by the government of the Philippines (GOP). Its objective is to provide information to the World Bank (WB) for its assessment of the project.

2. DMMA is grouped with Secondary Roads component of MMURTRIP. It is in the second batch of secondary roads that will be covered by the proposed loan from WB. The first batch of secondary roads is now under detailed engineering design. The road project is expected to provide relief to traffic congestion when linked with Quirino Highway. The project is located in the Novaliches, a strategic district of Quezon City.

3. Novaliches District occupies a total of 4,000 hectares representing one fifth of the total land area of Quezon City. Of the City’s 1.1 million population, 300,000 live in the district’s 15 barangays. It host to different industries and hundreds of commercial establishments, which are the main traffic generators in the area.

II. PROJECT DESCRIPTION

4. The project involves the extension of DMMA that will link the road’s unfinished portion from barangay Sta. Monica to Barangay Kaligayahan. The existing alignment has four lanes per direction. The MMURTRIP feasibility study recommended the following:

a) Build a new link but only two lanes per direction, as the projected traffic does not justify a four-lane per direction. To preserve the ROW, only the two outer lanes will be developed and the sidewalks put in place. The inner lanes will remain as an open space in the meantime. The extension will consist of the following features.

   - Carriageway (2 X 2) approximately 500 meters X 18.5 meters (6-meters median). Sidewalk (2 X 500 X 2 m.)
   - Provision for adequate lighting for the new link.

b) Intersection improvement by providing new traffic signals and pedestrian markings at Quirino Highway.
c) ROW acquisition is estimated at P15,000 per sq. m. for a developed area and P7,500 per sq. m. for an undeveloped land plus 10% following the provision of Administrative Order No. 50, series of 1999. These cost estimates make use of the government zonal valuation system. Current market prices are normally substantially higher.

III. PROJECT IMPACT AND COSTS

5. The DMMA extension will affect two (2) properties (please refer to the Vicinity Map). One is titled to Phinma Property Holdings Corporation (PPHC), which owns a 3.72 hectares of the undeveloped open space in the project area. The corporate owner is aware that the proposed DMMA road extension will traverse their property. The other owner is a religious organization (Jehovah's Witnesses, also known as the "Watch Tower") whose property is already developed. The developments include concrete wall and structures in the Watchtower compound. The impact of ROW acquisition and the total cost involved is summarized below.

### Potential Impact of DMMA ROW Acquisition

<table>
<thead>
<tr>
<th>Items to be Affected</th>
<th>Units of Measure</th>
<th>PPHC</th>
<th>Watch Tower</th>
<th>Total</th>
<th>Unit Cost</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lands:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developed</td>
<td>Sq. M.</td>
<td>6,956</td>
<td>6,956</td>
<td>P16,500#</td>
<td>114,774,000</td>
<td></td>
</tr>
<tr>
<td>Undeveloped</td>
<td>Sq. M.</td>
<td>6,407</td>
<td>6,407</td>
<td>8,250</td>
<td>52,857,750</td>
<td></td>
</tr>
<tr>
<td>2.5 Concrete Fence</td>
<td>Sq. M.</td>
<td>2,500</td>
<td>2,500</td>
<td>300</td>
<td>750,000</td>
<td></td>
</tr>
<tr>
<td>Banana Trees</td>
<td>Pcs.</td>
<td>159</td>
<td>159</td>
<td>100</td>
<td>15,900</td>
<td></td>
</tr>
<tr>
<td>2 Buildings</td>
<td>Sq. M.</td>
<td>225</td>
<td>225</td>
<td>5,600</td>
<td>1,260,000</td>
<td></td>
</tr>
<tr>
<td>Concrete Pavement</td>
<td>Sq. M.</td>
<td>3,600</td>
<td>3,600</td>
<td>210</td>
<td>756,000</td>
<td></td>
</tr>
<tr>
<td>Total in Philippine Pesos</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>170,413,650</td>
<td></td>
</tr>
<tr>
<td>Total in U S Dollar</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,260,341</td>
<td></td>
</tr>
</tbody>
</table>

# zonal value plus ten percent

6. There are drainage and water pipelines that will potentially be affected across the undeveloped portion at Barangay Sta. Monica. These items were being installed at the ROW underground at the time of the survey.

7. The project will not require relocation of families.
IV. MEASURES TO MITIGATE THE IMPACT

8. In planning for the alignment, the original plan was to locate the new link on the PPHC property as it is an undeveloped area and to avoid hitting on the Watchtower property. During consultations with PPHC, it was learned that they plan to develop the property and are still willing to dispose of a portion of their property for around half of the required ROW for the project. This meant that the adjacent Watchtower property would have to be affected. DPWH studied alternative alignments to avoid affecting the structures within the Watchtower compound. In any case, the Watchtower compound is huge enough to accommodate transfer of the structures if necessary.

9. The City Government of Quezon City acted as broker in the discussions on the ROW, particularly with respect to the alignment and compensation. The City officials reported agreement by both parties to allow use of their properties for the new link provided they are compensated fairly for the ROW.

V. ROW ACQUISITION

10. The acquisition of the ROW for the extension of the DMMA is the responsibility of the National Government, that road being part of the national road network. However, in line the Government policy of involving local governments in the construction and maintenance of these roads, the DPWH has engaged the City Government of Quezon City in a series of discussions for the past several months on a possible cost-sharing between the National Government (MMDA, being the implementor of the proposed DMMA road project) and the City Government of Quezon City. While the City Government agrees to cost-share to up to 50% of the ROW cost, they indicated that they are not capable of at this time putting up the budget of the magnitude required.

11. The DPWH and the MMDA however, recognizing the importance of the new link to easing the congestion in the area, is willing to propose the inclusion of the cost of ROW in their budget proposal during the budget process next year. But continuing dialogue with the City Government on their participation in the project will be pursued nonetheless.

12. Another issue here is the valuation of the ROW cost. The estimates presented in this report are based on zonal valuation (prices pegged by government authorities) plus 10% premium. The affected property owners are negotiating for "market" price valuation. The Government will enlist the services of an independent appraiser to make an estimate of the cost for the ROW.
VI. Next Steps

<table>
<thead>
<tr>
<th>Activity</th>
<th>Target Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finalize alignment of the new link, i.e. determine extent of impact on the two properties</td>
<td>August 15, 2000</td>
</tr>
<tr>
<td>Finalize Memorandum of Agreement among the property owners, Quezon City Government, DPWH and MMDA as to the ROW acquisition</td>
<td>September 15, 2000</td>
</tr>
<tr>
<td>Establish “market” price of ROW</td>
<td>September 7, 2000</td>
</tr>
<tr>
<td>Secure budget for ROW acquisition</td>
<td>December 31, 2000</td>
</tr>
<tr>
<td>Finalize transfer of ownership of the ROW to the Government</td>
<td>March 31, 2001</td>
</tr>
<tr>
<td>Present Deed of Transfer to the Bank</td>
<td>April 30, 2001</td>
</tr>
</tbody>
</table>

DPWH – EIAPO
31 July 2000
Metro Manila Urban Transport Integration Project

REVIEW OF THE RESETTLEMENT OF THE MARIKINA BRIDGE AND ACCESS ROAD COMPONENT

INTRODUCTION

1. The objective of this report is to provide information to the World Bank (WB) for its assessment of the project. The design of Marikina Bridge and Access Road Interchange subproject is currently under preparation by the Department of Public Works and Highways (DPWH) for possible funding from the Bank.

2. The Marikina Bridge and Access Road Interchange project are grouped with Maripas Corridor for Phase I of MMURTRIP, which is being proposed for loan financing from the WB. The project is expected to provide relief to traffic congestion when linked with C-5.

PROJECT DESCRIPTION

3. The proposed project, as shown in Figure 1 will involved the construction of wye-shaped bridge looped by ramps A, B, C and G in Marikina City connected to Marcos Highway. The project provides transport facilities such as, bicycle parking areas (south of ramp B), pedestrian passage (north of ramp G under the existing Marcos Bridge) and Bus and jeepney terminals (MMDA designated transport Hub for eastern Metro Manila (west of ramp A).

- Ramp A - four (4) lanes, One (1) way
- Ramp B - two (2) lanes, One (1) way
- Ramp C - two (2) lanes, One (1) way
- Ramp G - one (1) lane, One (1) way

The project also includes an access road connected at ramp G at Sitio Olandes in Barangay Industrial Valley running straight and parallel to the Marikina River towards the section where Marikina River changes direction. The access road will be linked with the segment of the project at Barangay Libis being undertaken separately by DPWH-URPO.

4. A two-lane road that will allow traffic bound to Cubao turning left to Marcos Highway will be built passing under the new bridge. Another road that will allow traffic from Cubao turning right to Marcos Highway and connect to the proposed new road will also be constructed. The road after the proposed new bridge will approach Marcos Highway with a Split ramp.

* Ramp A - four (4) lanes, One (1) way
* Ramp B - two (2) lanes, One (1) way
* Ramp C - two (2) lanes, One (1) way
* Ramp G - one (1) lane, One (1) way
The loop ramp will pass under the Marcos Bridge to allow southbound traffic from Marcos Highway to proceed to Coll. Serrano Avenue or E. Rodriguez Avenue at Barangay Libis in Quezon City.

5. The Department of Environmental and Natural Resources (DENR) has already issued the Environmental Compliance Certificate (ECC) for the project on May 6, 1999 (please refer to attachment 1).

**SOCIO-ECONOMIC CHARACTERISTICS**

6. The areas surrounding the project site are highly urbanized. However, the specific location of the proposed access road and bridge is mainly within the vicinity of Marikina River banks. The properties are all public lands once cultivated by informal settlers who occupied the area during the country’s political transition period in 1986 (post EDSA Revolution). Based on the 1994 census of the Marikina Settlements Office (MSO), an office of the City Government of Marikina which is in-charge of relocation and resettlement, majority of these informal settlers depend on income from jobs in construction, factories and service establishments. They work as security guards, mechanics, drivers, electricians and factory workers. Others are vendors, “sari-sari” or micro-store owners, barbers, non-motorized tricycle drivers, tailors and dressmakers. Few are employed by business establishments or enlisted personnel in the military. Few had admitted that they are unemployed. Women who stayed home were engaged as “suhero,” a labor contracting arrangement by shoe manufacturers in Marikina City. in the area.

7. In March 1998, the MSO carried out the relocation of squatter families in three resettlement sites namely: San Miguel and Balubad both in Marikina City and Montalban (now Rodriguez), Rizal. The project site is already cleared. No commercial establishments nor residential structures will be affected by the project.

**PROJECT IMPACT**

8. The following were the impacts of the Marikina Bridge and Access Road under the component of MMURTRIP:

- Demolition of 415 structures affecting 506 families in Sitio Olandes owing to the proposed construction of new Marikina Bridge;
- Removal of 2,000 trees;
• One and a half hectare of government lands planted with vegetables and fruit trees by a farmer; and

• Acquisition of 35,534 sq. m. of private residential land in Industrial Valley.

STATUS OF LAND ACQUISITION

9. Land Acquisition is no longer necessary as the properties along the rights-of-way (ROW) of the access road and the Marikina Bridge are owned by the national government. The said government property includes the 35,534 sq. m. of land in Industrial Valley, which was donated by Agus Development Corporation to the Marikina City Government in January 1995. The Deed of Donation and the title of the said property are shown as Attachments 2 and 3.

10. The four parcels of private land with combined area of 4,200 sq.m. for the loop ramp, previously reported to be affected by the project will no longer be acquired. The ramp will be realigned to avoid these private properties. The DPWH and the City Government have closely coordinated to determined the best alternative alignment of the new road to avoid impact on private lands. A series of consultative meeting have been conducted, starting from the one held in February 16, 2000 and the most recent meeting was in July 2000. A new scheme plan has been agreed and is being pursued in this regard (Figure 1).

COMPENSATION OF PAFs

11. The MSO has reported that a total of 506 households (PAFs) and 415 housing units were affected in clearing the project site in 1998, of the 506 households, 357 were resettled by Marikina Settlement Office in a 1.4-hectares lot owned by San Miguel Realty, Inc. in Parang, while 62 households were brought to Balubad Settlement Site, Marikina City. The rest were relocated in Montalban, Rizal through the assistance of Housing Urban Development Coordinating Council (HUDCC), a national government agency and policy body responsible for urban housing and relocation issues in the Philippines. The City Government provided the Relocates assistance in the form of construction materials for them to be able to construct temporary shelter, i.e., nails, cement, and gravel. The temporary houses were constructed in three weeks. The City Engineers
Office of Marikina City Government assumed the hauling and transporting the dismantled structures of PAFs.

12. Only one displaced person was compensated in cash. He was a farmer who cultivated one and a half hectares of government lands with vegetables and fruit trees.

13. The PAFs were given one-week food assistance after relocation. They did not receive any financial compensation. However, the City Government of Marikina shouldered the transportation costs in transferring the PAFs to the Resettlement sites (in Marikina and Motalban, Rizal).

**THE RESETTLEMENT SITES**

14. The Marikina City Government provided two relocation sites. One is located in Parang while the other is located in Balubad both located in Marikina City. These two sites are owned by a private entity. The 1.4 has. resettlement site in Parang is owned by San Miguel Real Properties, Inc. A Memorandum of Agreement between the City Government of Marikina, the PAFs and San Miguel Real Properties was signed as a commitment for the latter to sell the property for resettlement site. (Attachment 2) The agreed price price is P1,000 per sq.m. The City Government declared the said property as a resettlement site through a City Ordinance in 1997 (Attachment 3). The PAFs will pay the National Home Mortgage Finance Corporation (NHMFC) on installment basis. However, the NHMFC will pay San Miguel Real Properties Inc in one payment.

15. The resettlement area in Parang is being developed where basic infrastructures are provided to PAFs such as, electricity and water pumps. The dirt roads are being paved. The following amenities are provided such as, day-care center, a chapel, a school, a health clinic and a basketball court. The same basic infrastructures are also provided in the Balubad resettlement site. The Marikina City Government shouldered all the expenses for the development of these resettlement sites.

16. The resettlement site in Balubad has a land area of 2.9 has and owned by the Tuazon Delgado Group of companies. A tripartite MOA involving the City Government, the landowners and the neighborhood association of PAFs was signed. (Attachment 4). To this effect, the property was also declared as a resettlement site through a City Ordinance in 1997. (Attachment 5). The tripartite MOA stipulates that the property will be sold at P750 per sq. m. at 14 % interest per annum. Each lot will be amortized at P556 (US $ 13.90) per month payable in 25 years. The Development of.
the resettlement site will be financed under the government Community Mortgage Program (CMP).

17. In the two in-city resettlement sites, the City Government gave residential lots according to the choice of PAFs. The lot sizes vary in sizes from 24 to 30 sq. m.

18. The PAFs assisted by HUDCC were resettled in San Jose Plains Subdivision I, in Montalban, Rizal owned by the National Housing Authority (a national government entity). The resettlement site is already developed; each housing unit connected to water, electricity lines and to some telephone lines. Each PAF was awarded 40 sq. m. lot, with monthly amortization of P350 – 375 (US $ 8.75 – 9.37) payable in 25 years.

19. The table below summarizes the status of land acquisition in resettlement sites.

<table>
<thead>
<tr>
<th>Resettlement Sites</th>
<th>Size of the Area</th>
<th>Owners</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Parang, Marikina City</td>
<td>1.4 has.</td>
<td>San Miguel Real Properties Inc.</td>
<td>MOA signed. A City Ordinance proclaiming the area as resettlement site.</td>
</tr>
<tr>
<td>2. Balubad, Marikina city</td>
<td>2.9 has.</td>
<td>Tuazon and Delgado Group</td>
<td>MOA signed. A City Ordinance proclaiming the area as resettlement site.</td>
</tr>
<tr>
<td>3. Montalban Rizal</td>
<td>N.A.</td>
<td>National Housing Authority</td>
<td>Lots already awarded to PAFs through HIGC.</td>
</tr>
</tbody>
</table>

Community Organization

20. Following their relocation, the PAFs were encouraged to organize themselves as a community. The MSO had assisted the PAFs in community organization such as putting up of an association, wherein each PAF is represented in the neighborhood association. The neighborhood association has a legal personality under the Government’s Community Mortgage Program (CMP). The PAFs in Parang Marikina organized themselves as the “Nagkakaisang Magkakapitbahay ng San Miguel Realty Association” also known as UNABASILA Association. The MSO does not provide direct funding assistance such as, capital for livelihood however, sponsor activities such as, livelihood training.

21. The Resettlement sites are accessible to the city’s central business district and therefore, access to job opportunities is not a problem. The same
could be said to PAFs, who were relocated in Montalban, Rizal. Their resettlement site is only 30 minutes travel to Quezon City where most of them work or go to school.

**Access to Urban Services and Infrastructure Provision**

22. Social and urban services are within easy access to the relocated PAFs. The city government provided them a paved right-of-way linking them to the city proper. A community drainage system was also provided. The relocation site has the following amenities: day care center, school, basketball court, church and market. The MSO also provided free portable toilet bowls and drums for each household. Waterlines still to be installed from the temporary source of water which is deep well. Telephone lines have yet to be installed in two Marikina resettlement sites, however, electric and water lines are available.

**Monitoring**

23. The monitoring of Resettlements by MSO is only for PAFs who are relocated at Marikina City. Those who were resettled in Montalban, Rizal is monitored by HUDCC.

24. The MSO monitors the following concerns: employment problems of PAFs, peace and order and security at the resettlement sites. The MSO, also provides continuing technical assistance in the documentation requirements and in providing engineering permits, water connection as well as electric connection.

**Model for Good Practice**

25. The resettlement program being implemented in the City is widely recognized by civic institutions. In 1997, the City Government of Marikina received a citation for “Bayani ng Maralita” (Hero of the Poor) from the Philippine Community Urban Poor (PCUP). The program has already been elevated to the Hall of Fame under the “Galing Pook” Award of the Asian Institute of Management, a premier business school in Asia based in the Philippines.

**COSTS AND BUDGETS**

25. The City Government of Marikina & the DPWH had considered project design alternatives to avoid incurring substantial costs for resettlement. The 4,200 sq. m. of private lands, to be affected in the original plan, will no longer be acquired for ROW. The realignment, therefore, will place the total resettlement cost at P678,090 (or US$9,452). The amount was already paid by the Marikina City Government for the relocation of PAPs.
amounting to P550,000 (US$13,750) and for the compensation of one farmer for his plants and fruit trees that amounted to P128,090 (US$3,202).

Attachment:

1. Figure 1, Project Design and Parcellary Plan
2. Environmental Compliance Certificate (attachment 1)
3. MOA between San Miguel Realty and Marikina LGU on the resettlement site. (attachment 2)
4. City Ordinance No. 331 Series of 1997 declaring the .4 hectare land of San Miguel Realty as settlement site. (attachment 3)
5. MOA between TQG Enterprises and Marikina LGU on the Balubab Resettlement. (attachment 4)
6. City Ordinance No. 269 series of 1997 declaring Balubab Resettlement as a permanent relocation site (attachment 5)
7. Certificate of Donation by Agus Development Corporation to the Marikina LGU
9. Squatters resettlement plan undertaken by Marikina LGU
ENVIRONMENTAL COMPLIANCE CERTIFICATE
9308-004-208C

The Department of Environment and Natural Resources (DENR), through the Environmental Management Bureau (EMB) hereby grants this Environmental Compliance Certificate (ECC) to the proposed MARIKINA BRIDGE AND ACCESS ROAD (C-5 RELATED ROAD) PROJECT of the DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS to be located in Barangays Industrial Valley and Santolan (Marikina City) and Barangay Libis (Quezon City), Metro Manila after complying with the Environmental Impact Assessment (EIA) requirement as prescribed in the promulgated guidelines implementing Section 3 (b) of P.D. 1121 and 1586.

This Certificate is being issued subject to the following conditions:

A. GENERAL CONDITIONS

1. This Certificate is valid only for the construction and operation of a wye-shaped bridge (Marikina Bridge) with a trunk segment of 285 m four (4) lane divided deck, a left stem segment of 125 m two (2) lane deck, and a right stem segment of 100 m two (2) lane deck, split ramps (one each for the south-bound and north bound lanes), reinforced concrete box culverts, reinforced concrete retaining walls, roadworks (access road, E. Rodriguez Avenue, Boni Serrano Avenue, Riverview Drive - Marikina Bridge lanes to Marcos Highway);

2. The proponent shall provide a copy of this Certificate to the LGUs of Barangays Industrial Valley, Santolan and Libis;

3. The health and safety requirements as prescribed by the Department of Health (DOH) and Department of Labor and Employment (DOLE)-Bureau of Working Conditions (BWC) shall be implemented at all times;

4. The project shall commence only after the proponent has fully and adequately compensated the affected residents/stakeholders;

5. A workable Traffic Management Program to include schedule of construction activities, specific alternative rerouting plan, traffic schemes (i.e. posting of road signs/warning lights), value of traveling time saved or lost, shall be developed, submitted to EMB and DENR-NCR and implemented in coordination with relevant government agencies;

6. The proponent shall provide spaces for tree-planting on sidewalks, center dividers (islands), plant boxes, etc. for the greening of areas affected by the project;

7. The proponent shall ensure that all relevant conditions in this Certificate are properly complied with by its commissioned contractors and subcontractors;
All appropriate mitigating/enhancement measures contained in the Environmental Impact Statement (EIS) and Additional Information as approved by the EMB shall be instituted to minimize any adverse impact to the environment;

9. On-the-spot monitoring and inspection may be conducted by the DENR National Capital Region (DENR-NCR) and/or EMB in coordination with concerned groups;

10. All other necessary permits from other government agencies shall be secured prior to project construction;

11. Any expansion and/or modification of the currently approved operation and processes shall be subject to a new environmental impact assessment (EIA) requirement;

12. The transfer of ownership of this project carries the same conditions in this ECC for which written notification to the EMB shall be made within fifteen (15) days from such transfer;

B. CONSTRUCTION AND IMPLEMENTATION PHASES

13. Drainage structures such as ditches, culverts and pipe drains shall be installed to divert run-off and surface water away from the construction site;

14. Sufficient slope protection walls shall be installed before excavation works and necessary precautionary measures to minimize or prevent soil erosion, siltation and movement of earth materials to adjacent areas and the Marikina River;

15. Construction spoils, stripped vegetation and discarded construction materials and debris shall be collected, stockpiled and stored at a pre-designated site before disposing to landfills;

16. All dredged materials generated during construction shall be contained and properly disposed of;

17. Proper handling, collection and disposal of oil/lubricants, worn-out tires and other spare parts used/discarded by the heavy equipment/machinery shall be strictly effected;

18. Measures to mitigate the increase in suspended particulate especially during the construction period shall be effected by regular watering of exposed road surfaces;

19. Measures shall be undertaken to minimize noise and vibration brought about by earthwork activities and heavy equipment during construction;

20. Safety and proper sanitation shall be implemented and personal protection equipment shall be provided to prevent health and occupational hazards especially during the construction period;

21. Appropriate, aesthetically acceptable, and cost effective, reflective or absorptive type of roadside noise barrier (i.e., earth berm, reinforced concrete and wood composite, sheet metal, treated timber, etc.) shall be installed along sensitive receptor locations of excessive noise or in strategic areas; and
1. Maintenance of facilities and utilities shall be undertaken regularly by the proponent.

Non-compliance with any of the conditions shall be sufficient cause for the suspension or cancellation of this Certificate and/or imposition of a fine in an amount not to exceed Fifty Thousand Pesos (PhP 50,000.00) for every violation thereof, at the discretion of the EMB in accordance with Sections 9 of P.D. 1586.

Granted this  

\[ \text{MAY 06, 1999} \]

\[ \text{ANTONIO H. CERILLES} \]
\[ \text{Secretary} \]
MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement entered into this day of

at Marikina City.

The MOUNTAIN HILLS CHAMPACA EXT. HOMEOWNERS ASSOCIATION, INC., a non-stock, non-profit corporation duly organized and existing under and by virtue of the law of the Philippines, with postal address at Champaca Ext., Barangay Parañaque, Marikina City herein represented by its President, MELVIN R. ESPALTE, herein referred to as the ASSOCIATION.

CATALINA CAYETANO, of legal age, Filipino, single with postal address at 69 Cuenca St., Quezon City; MELITA L. AGDON, of legal age, Filipino, widow, residing at 381 A Mahini St., Caloocan City; ELISA L. MORALES, of legal age, Filipino, married to ERNESTO MORALES, residence at 3650 Gen. Luna St., Hungka, Makati City and ROMEO DE LARA, of legal age, Filipino, married to HELEN CASTAÑEDA residence at 381 A Mahini St., Caloocan City, both owner and Attorney-in-fact of SERAFIN ANGELES, of legal age, Filipino, married with residence at Paco, Manila by virtue of Special Power of Attorney, dated Feb. 27, 1994, executed before Notary Public ZOSIMO Z. SANTIAGO. Notary Public for Caloocan City docketed as Doc. No. 62, Page No. 17, Series of 1994, of his notarial docket to be hereinafter referred to as the LANDOWNERS.

The CITY GOVERNMENT OF MARIKINA, a public corporation created and existing under Philippine Law with principal with principal office address at Sta. Elena, Marikina City represented by the Mayor, Hon. BAYANI F. FERNANDO hereinafter referred to as the CITY / ORIGINATOR.

WITNESSETH

WHEREAS, the LANDOWNERS is the registered owner of the property located at Champaca Ext., Parañaque, Marikina City, covered by Transfer Certificate of Title No. 317027 issued by the Register of Deeds of the Province of Rizal containing an area of FOURTEEN THOUSAND FOUR HUNDRED EIGHTY THREE (11,483) square meters more or less.

WHEREAS, it is the policy of the CITY GOVERNMENT / ORIGINATOR to encourage the participation of the non-stock, non-profit organizations in its housing program under the Community Mortgage Program (CMP) pursuant to RA 7279, with an objective to contain squatting within the locality.

WHEREAS, the CITY GOVERNMENT / ORIGINATOR intends to devote the said property in resettling qualified beneficiaries as provided in the Community Mortgage Program with the end in view of helping the underprivileged citizen of the City to obtain a comfortable and decent state of living.
WHEREAS, the policies set out in this agreement are in line with the provisions outlined in RA 7279, the Urban Development and Housing Act of 1992.

- THE LANDOWNER has agreed to formally institute the arrangement concerning their involvement and participation in the project.

NOW THEREFORE, for and in consideration of the foregoing premises, the above parties bind themselves and hereby agree to the following terms and conditions

ARTICLE I - SCOPE OF AGREEMENT

The policies, guidelines, procedures and other conditions provided in this agreement apply to the role, responsibilities and obligations of the GOVERNMENT and the LANDOWNER in the implementation of the following:

a. Land Conversion / Reclassification
b. Beneficiaries Selection
c. Lot Award
d. Land Acquisition thru the CMP and Development
e. Project Maintenance
f. Financing Recovery / Cost Recovery

ARTICLE II - PROGRAM DESCRIPTION

The Community Mortgage Program (CMP) is conceived and put into law under RA 7279 known as the Urban Development Housing Act (UDHA) of 1992 as a departure from more conventional upgrading approach in the sense that the Community Mortgage Program promotes and encourages the participation of the qualified beneficiaries in the program.

The main objective of this project is to improve the rate of low income shelter provision through the development and implementation of such projects under the Community Mortgage Program (CMP).

The City Government intends to limit its role to land reclassification, beneficiary selection, lot allocation and physical arrangement.

ARTICLE III - COST OF PROPERTY

The parties hereby agree that the price per square meter is ONE THOUSAND PESOS ($1,000.00), in sum amounting to FOURTEEN MILLION FOUR HUNDRED EIGHTY-MORE THOUSAND PESOS ($14,480,000.00). The LANDOWNER shall sell, convey and transfer into the Community Association (beneficiaries), its agents or representatives the above mentioned property.
ARTICLE IV – OBLIGATION OF THE PARTIES

A. ASSOCIATION

1. Project Beneficiary Selection

a. The ASSOCIATION shall set up an awards and Arbitration Committee (AAC) who will approve the listing of the Beneficiary Selection Committee of qualified beneficiaries.

b. The Beneficiary Selection Committee will take charge of the lot allocation of beneficiaries.

c. Provide the CITY GOVERNMENT a copy or list of approved cases.

d. Prepare the Association’s “CODE OF POLICIES”, duly ratified by the Community.

e. Ensure that the member comply with the association’s code of policies and by-laws, and the rules and regulation covering CMP-Beneficiaries.

f. Secure a loan from the National Home Mortgage Finance Corporation (NHMFC) with the assistance of the ORIGINATOR in order to finance the purchase by the ASSOCIATION of an area of FOURTEEN THOUSAND FOUR HUNDRED EIGHTY THREE (14,483) square meters, which is the subject of this agreement.

2. Land Acquisition

a. Notify qualified beneficiaries of their lot allocation including the details of:

• Lot allocation in terms of area and price
• Community Mortgage Take-out document for signing
• General terms and conditions of occupancy based on the census survey, income data and affordability criteria in accordance with the approved code of policy for the beneficiary and lot allocation development plan

3. Livelihood Program

a. Identify, plan and implement the livelihood development program

4. Physical Upgrading

a. Prepare the overall development plan and submit for approval to the agencies concerned.

b. Facilitate the survey of the property and procure the reclassification thereof, if necessary with the approval of authorization of the LANDOWNERS.

c. Organize and undertake reblocking operation including:

• Dismantling and removal of illegal construction,
• Dismantling or clearing of structures in accordance with the approved development plan,
• Other clearing operations required to facilitate or implement the approved development plan.
B. CITY ORIGINATOR

1. Beneficiary Selection
   a. Assist in screening the documents to be submitted by the residents.
   b. Provide the master list of lot awardees.

2. Lot Allocation
   a. Review and approve the lot allocation of selected beneficiaries.

3. Livelihood Program
   a. Conduct seminars on livelihood programs.
   b. Assist in the identification, planning, and implementation of livelihood development program.

4. Physical Upgrading
   a. Review overall development plan for the area.
   b. Assist in checking the final subdivision plan.
   c. Assist the ASSOCIATION in organizing, facilitating, and implementing re-blocking operation.
      - Dismantling and removal of illegal structures.
      - Dismantling or movement of structures in accordance with the approved development plan.
      - Other clearance operations required to facilitate or implement the approved development plan.
   d. Provide the association with infrastructure projects such as cementing of roads and creation of a drainage system.

5. Estate Management Project Maintenance
   a. Keep and maintain the projects.
   b. Facilitate the ASSOCIATION in the delivery of lot titles for awardees, including legal documents necessary to support the use, possession, and ownership of the lot.
   c. Monitor the ASSOCIATION in the recovery of investment cost, including the conduct of a regular auditing of its books.
   d. Assist the ASSOCIATION in the implementation of the development plan.
   e. Provide a City Council Resolution and legal assistance for implementation.
   f. Assist the ASSOCIATION in securing a loan with the National Home Mortgage Finance Corporation for the purchase of the subject property.
   g. Ensure that the members comply with the association's CODE OF POLICIES and LAWS and the rules and regulations covering CMP Beneficiaries.
C. LANDOWNERS

a. Agree to sell the above-mentioned property at ONE THOUSAND PESOS (P1,000.00) per square meter.

b. To clear title to the property of any liens and encumbrances.

c. To initiate the reclassification of the property if necessary and to authorize the City Government to facilitate the process of reclassification.

d. With the approval of the Purchase Commitment Line (PCL), the Landowner shall agree to sign documents pertaining thereto and in accordance with the policies herein set forth.

ARTICLE V -- PAYMENT AND RELEASE OF TITLE

1. Upon the submission of all necessary documents to qualify in the Community Mortgage Program being implemented by the National Home Mortgage Finance Corporation (NHI), the letter shall issue a Letter of Guarantee (LOG) in favor of the Landowners in the amount equivalent to the Take-out proceeds of the loan granted to the beneficiaries, for the acquisition of the property of the Landowners.

2. Upon issuance of the LOG by NHI, the Landowner shall execute an Absolute Deed of Sale of the properties covered by 14,883 square meters in favor of the Community Association.

3. Immediately after the execution of the Deed of Absolute Sale and the delivery of the Deed of Real Estate Mortgage executed by the association, in favor of its CMP ORIGINATOR and other documents required in the LOG, the LANDOWNERS shall cause the transfer of the corresponding CERTIFICATE OF TITLE of the property in the name of the association, as well as the registration and annotation of the said mortgage in favor of its CMP Originator with the Register of Deeds.

ARTICLE VI -- OTHER CONDITIONS

1. The Community Association shall pay for the REAL PROPERTY TAXES of the subject beginning at second quarter of 1998.

2. Cash equates differences between the total purchase price of the properties and the loanable amount representing loan proceeds of the Community Association from the National Home Mortgage Finance Corporation (NHI) shall be paid by the Community Association to the Landowners for a period of twenty-four (24) months to commence.

3. In case of non-payment of equity by a member for three (3) consecutive months, the Association shall apply the sanction of eviction.

4. The City Government of Marikina is allowed to enter the property to conduct relocation and subdivision survey and use said property as relocation site.

5. The parties hereby agree that time is of the essence such that it is a condition precedent of this agreement that the Landowner shall be fully paid the above mentioned purchase price not later than 24 months from the execution hereof. Otherwise, upon
ARTICLE VII  EXPENSE FOR REGISTRATION

1. All expenses relative to the transfer of title in the name of the ASSOCIATION, including registration of the Deed of Absolute Sale, documentary stamps, transfer fee, shall be shared equally by the LANDOWNER and the ASSOCIATION, while registration and annotation of Real Estate Mortgage shall be assumed by the ASSOCIATION.

In the event that the loan is not approved, this Memorandum of Agreement shall be considered null and void and of no force and effect.

This Memorandum of Agreement shall take effect immediately upon signature and supersedes any agreement concluded before this Agreement.

IN WITNESS WHEREOF, we have hereunto set our hands this ______ day of ____________, 1998 at Marikina City, Philippines.

For the CITY GOVERNMENT OF MARIKINA:

[signature]

By

MAYAN S. FERNANDO

For the LANDOWNERS:

[signature]

Catalina Cayetano

For the ASSOCIATION:

[signature]

MELINA R. ESPULTERO

President

For the LANDOWNERS:

[signature]

Galina L. Morales

(Landowner and Attorney-in-fact of Serafin Angeles)

[signature]

Melina R. Agaton

(Landowner and Attorney-in-fact of Serafin Angeles)

[signature]

Romeo Delara

(Landowner and Attorney-in-fact of Serafin Angeles)
ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES
CITY OF MARIKINA

BEFORE ME, a Notary Public for and in Marikina City, Philippines this
day of , 1998, personally appeared the following:

NAME COMM. TAX. NOS DATE / PLACE ISSUED
Hon. Bayani F. Fernando
Catalina Cayetano
Melita de Lara Agdon
Romeo de Lara
Elisa Morales
Melba Espaltero

known to me be the same persons who executed the foregoing instrument consisting of
seven (7) pages including this page of acknowledgement, signed by them and by their
instrumental witnesses at the foot of the document and on the left hand margin of pages
one to six thereof and acknowledged to me that the association and the City Government of
Marikina, which Ms. MELDA ESPALTERO and Hon. BAYANI F. FERNANDO
represent, respectively.

WITNESS MY HAND AND NOTARIAL SEAL on this day of
1998 at Marikina City.

Doc. No. ___
Page No. ___
Book No. ___
Series of 1998 ___

[Signature]
ORDINANCE No. 331
Series of 1997

ORDINANCE DECLARING THE 14 HECTARE LAND OF SAN MIGUEL REALTY ALONG CHAMPACA STREET EXTENSION IN BARANGAY PARANG, THIS CITY AS SETTLEMENT SITE

Introduced by Councillor ROBERTO C. PONCE and Vice-Mayor DEL R. DE GUZMAN

WHEREAS, there is a 14 hectare of land owned by Ms. Catalina Cayetano, et. al., located in Barangay Parang, this city, that would have more substantial economic value for residential purposes since the same is no longer economically feasible and sound for any agricultural purpose.

WHEREAS, the said parcel of land will be utilized as relocation site for the families affected by the government demolition operation,

WHEREAS, the affected families will purchase the subject property through the Community Mortgage Program (CMP) of the National Home Mortgage Finance Corporation (NHIMFC), wherein the City Government shall act as Originator.

WHEREAS, Section 458 (a), (2) of the Local Government Code of 1991 provides that the Sangguniang Panlungsod, as the legislative body of the city, shall enact ordinances for the welfare of the city and its inhabitants, and in the proper exercise of the corporate powers of the city, shall:

"(vi) Prescribe reasonable limits and restraints on the use of the property within the jurisdiction of the city; and

"(viii) Reclassify land within the jurisdiction of the city, subject to the pertinent provisions of this Code."

NOW THEREFORE, BE IT ORDAINED AS IT IS HEREBY ORDAINED by the CITY COUNCIL of MARIKINA in session duly assembled

SECTION 1 That 14 hectare land along Champaca Street Extension in Barangay Parang and owned by San Miguel Realty is hereby declared as Settlement Site, with TCT No. 317027.

SECTION 2 This Ordinance shall take effect upon approval.

APPROVED by the CITY COUNCIL of MARIKINA on this 12th day of November, 1997

CERTIFIED:

LOLITA E. DE LEON
Secretary to the Sanggunian
ORDINANCE No. 337
Series of 1997
Page 2 of ............. 2

ATTESTED:

DEL R. DE GUZMAN
Vice-Mayor/Presiding Officer

APPROVED by the Honorable City Mayor on APR 2 1998

BAYANI F. FERNANDO
City Mayor
MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement, entered into this 6th day of April, 1995, at Marikina Metro Manila, by and between:

TQG ENTERPRISES, an entity duly organized under existing laws with principal address at 1075 R. Magaysay Blvd., Sampaloc, Manila, herein represented by its attorneys-in-fact, Ms Teresa Tunzon and Ms. Vicky Delyado, hereinafter referred to as the LANDOWNER;

and

THE MUNICIPAL GOVERNMENT OF MARIKINA, a public corporation duly organized and existing under Philippine Laws with principal address at Municipal Hall, Marikina Metro Manila represented by its Mayor, Hon. Bonny F. Fernando, hereinafter referred to as the MUNICIPALITY.

WITNESSETH

WHEREAS, the Landowner is the owner of a parcel of land situated in the Municipality of Marikina, which is more particularly described in Transfer Certificate of Title No. N-139617 issued by the Registry of Deeds of Marikina;

WHEREAS, it is the policy of the Municipality, to encourage the participation of the Landowner in its housing program under the Community Mortgage Program on its containment objective within the locality;

WHEREAS, The Municipality would devote the said property in resettling qualified beneficiaries as provided for in the Community Mortgage Program;

WHEREAS, it is the main objective of the Municipality to alleviate the plight of those belonging to the low income group;

WHEREAS, the Landowner has agreed to enter into this agreement to help the Municipality in attaining its objective;

WHEREAS, the herein parties have agreed to formalize the institutional arrangement concerning their involvement/participation in the project;

NOW THEREFORE, for and in consideration of the foregoing premises, the above parties hereby bind themselves and agree to the following terms and conditions:

ARTICLE 1 - SCOPE OF AGREEMENT

1.0 SCOPE OF AGREEMENT - The policies, guidelines, procedures and other conditions provided in this agreement shall apply to the role, responsibilities and obligations of the Municipality.
and the Landowner in the implementation of the following:

a. Land acquisition and development
b. Beneficiaries Selection
c. Lot award
d. Financing Recovery/Cost Recovery
e. Project Maintenance

ARTICLE II - PROGRAM DESCRIPTION

2.0 The Community Mortgage Program is conceived and put into law under RA 7279 known as the Urban Development Housing Act as a departure from more conventional upgrading approach in the sense that the Community Mortgage Program promotes and encourages the participation of the qualified beneficiaries in the program.

2.1 The main objective of this project is to improve the rate of low-income shelter provision through the development and implementation of the projects under the Community Mortgage Program.

ARTICLE III - OBLIGATION OF THE PARTIES

A. MUNICIPALITY

1. Beneficiaries selection

a. The Municipality through the Marikina Settlements Office shall approve those qualified under the program;
b. A set of guidelines shall be made in order to outline those persons considered qualified under the CMP.

2. Land Acquisition

a. Notify qualified beneficiaries of their lot allocation including the detail of:

   - lot allocation, area and price
   - Community mortgage take-out documents for submission and community mortgage take-out contracts for signing
   - General terms and conditions of occupancy based on the census survey, income data, affordability criteria and in accordance with the approved guidelines for beneficiary selection and lot allocation.

3. Livelihood Program

a. Identify, plan and implement livelihood development program

4. Physical Upgrading

a. Prepare the overall development plan and submit for the approval of the government agencies concerned,
b. Facilitate the survey of the property;

c. Organize and undertake the reblocking operations including:
   - dismantling and removal of illegal constructions
   - dismantling or movement of structures in accordance with the approved development plan
   - relocation or movement of qualified beneficiaries
   - other clearance operations required to facilitate/implement the approved development plan

5. Estate Management/Project Maintenance

a. Plan and implement recovery of investment/operating cost and effect remittance of the loan as per loan agreement
b. Deliver or award lot titles to awardees including legal documentation necessary to support the use, possession and ownership of the lot
c. Keeping and maintaining the project:
   - its functional arrangement and structural soundness
   - its vital systems and facilities
   - effective garbage collection and disposal
   - landscape maintenance and overall cleanliness project

6. Other conditions:

a. That the Municipality shall guarantee that no other squatters shall occupy other properties of TQC Enterprises and/or properties of the which the persons comprising TQC enterprises are co-owners in Marikina, Metro Manila;

b. That the Municipality shall assist the Landowner in resettling and relocating squatters present in their other properties located in Marikina, Metro Manila;

c. That after the initiation of the Landowner, The Municipality shall facilitate the process of reclassification.

B. LANDOWNER

1. Agree to sell the above-mentioned property at the price of P 750.00 per square meter,

2. To clear the property of any and all liens and encumbrances;

3. To initiate the reclassification of the property if necessary and to authorize the Municipality to facilitate the process of reclassification;

4. To update real estate taxes or stock transfer tax before property is transferred.
5. To execute the Deed of Absolute Sale in the event of full payment by the lending agency.

6. To secure Mortgage Financing from the National Home Mortgage Financing Corporation.

7. Other conditions.

   a. That the Landowner shall not be liable for the payment of transfer tax and documentary tax.

This Memorandum of Agreement shall take effect immediately upon signing.

IN WITNESS WHEREOF, the parties hereunto set their hand this 6th day of April, 1995, at the Municipality of Marikina, Metro Manila, Philippines.

TOG ENTERPRISES

By: 

TERESA TUAZON

VICKY DELGADO

MUNICIPALITY OF MARIKINA

By: 

HON. BAYAN F. FERNANDO
ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES
MUNICIPALITY OF MARIKINA
METRO MANILA

BEFORE ME, a Notary Public in and for the City of Marikina, Metro Manila this 5th day of January, 1982, Atty. Ruth B. Castelo, Notary Public, a voluntary acknowledgment of Vicci Delgado, CTC No. 41-931V, Issued on 4-02-82 at 11:00 AM, to the following instrument:

This instrument consisting of five (5) pages including the page on which this acknowledgment is written have been signed on each and every page thereof by the parties and acknowledged by them in the presence of their free act and deed.

WITNESS MY HAND AND SEAL on the date and at the place first above written.

[Signature]

Atty. Ruth B. Castelo
NOTARY PUBLIC
WHEREAS, R.A. 7279 otherwise known as the "Urban Development Act" of 1992 aims to provide housing to the underprivileged;

WHEREAS, to achieve its goal, the statute has charged local government units with the implementation of the program particularly in identifying prospective lots, in coordination with the Presidential Commission on Urban Poor (PCUP) and government housing agencies;

WHEREAS, the Rainahad Resettlement Site located at Barangay Nangka may be considered as one of the most populated relocation site for relocated squatters and urban poor in Marikina;

WHEREAS, many of these residents have already expressed their preference to permanently settle in the city through the Community Mortgage Program being implemented by the Marikina City Government;

WHEREAS, the feeling of assurance, normalcy and promise of a better life that most of these settlers enjoy since their transfer to the Rainahad Resettlement Site are but a result of the years of effort by the city government of Marikina to promote social justice to the depressed sector of society and make them active agents of progress;

NOW THEREFORE, BE IT ORDAINED AS IT IS HEREBY ORDAINED BY THE SANGGUNIANG PANLUNGSOD OF MARIKINA, in session duly assembled:

SECTION 1. The Rainahad Settlement Site is hereby declared as a Permanent Relocation Site.

SECTION 2. The City Government of Marikina, through the Marikina Settlement Office (MSO), shall undertake negotiation with the owner(s) of the lot occupied by the Site to effect the immediate transfer of said lot by virtue of the Community Mortgage Program (CMP).

SECTION 3. This Ordinance shall take effect immediately upon approval.

APPROVED BY THE SANGGUNIANG PANLUNGSOD OF MARIKINA on this 20th day of August, 1997
CERTIFIED CORRECT:

[Signature]

LOLITA E. DE LEON
Secretary to the City Council

ATTESTED:

[Signature]

DEL R. de GUZMAN
City Vice-Mayor/Presiding Officer

APPROVED by the Honorable CITY MAYOR on

[Signature]

BAYANI F. FERNANDO
City Mayor
Republic of the Philippines
CITY OF MARIKINA
Engineering Department

CERTIFICATION

This is to certify that the Champaca Street located at Barangay Parang, Marikina City is an existing city road and may be utilized by the following Community Association as Road Right-of-way, to wit:

1. Victory Hills Homeowner’s Association Inc., Victory Hills Parang, Marikina City.
4. Tabing-Ilog Nangka Homeowner’s Association Inc., Parang, Marikina City.

This certification is issued upon request by the above-mentioned Homeowner’s Association in connection with their Community Mortgage Program Application from the National Home Mortgage Financing Corporation.

CERTIFIED A.D. C.

ALFONSO P. ESPRITU
City Engineer

c: 89/certific
CERTIFICATE OF DONATION

TO WHOM IT MAY CONCERN:

This is to certify that on December 27, 1994, Agus Development Corporation has donated to this municipality a 35,534 square meter real property located at Industrial Valley, Marikina, Metro Manila and covered by Transfer Certificate of Title No. 180858 issued by the Register of Deeds the Province of Rizal.

This will certify further that the municipality has unconditionally accepted the donation and expresses the appreciation and gratefulness for the kindness and generosity of said Agus Development Corporation.


MUNICIPALITY OF MARIKINA
By:

HON. BAYANI F. FERNANDO
(Municipal Mayor)
DEED OF DONATION

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Donation, entered into by and between:

AGUS DEVELOPMENT CORPORATION, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, domiciled and with business address at Scout Santiago corner Marathon Streets, Diliman, Quezon City, represented in this instance by its Vice President, VALIANTE P. LOPEZ, hereinafter referred to as the DONOR;

-and-

MUNICIPALITY OF MARIKINA, a local government unit existing under the laws of the Republic of the Philippines, with postal address at the Municipal Hall of Marikina, Metro Manila, represented in this act by its duly elected Municipal Mayor, BAYANI P. FERNANDO, hereinafter referred to as the DONEE.

That the DONOR is the owner in fee simple of a certain parcel of land situated at Industrial Valley, Marikina, Metro Manila, containing an area of 35,534 square meters, covered and embraced by Transfer Certificate of Title No. 180858, issued by the Register of Deeds for Marikina, Metro Manila, the technical description of which are as follows:

TRANSFER CERTIFICATE OF TITLE NO. 180858

------ A parcel of land (Lot No. 49-C-3-E-4-A of the subdivision plan (LRC) Psd-56038, being a portion of Lot 49-C-3-E-4-I, described on plan Psd-18247, LRC (GLRO) Rec. No. 7572), situated in the Mun. of Marikina, Prov. of Rizal. Bounded on the NE., points 8 to 1 and 1 to 2 by Lot 49-C-3-I, Psd-5735 (The Manila Electric Co.); on the SE., points 2 to 6 by the Marikina River; on the SW., points 6 to 7, by Lot 49-C-3-I-4-I-15 of the subdivision plan, and on the NW., points 7 to 8 by Lot 49-C-3-E-3, Psd-18247 (Angela Paz) containing an area of THIRTY FIVE THOUSAND FIVE HUNDRED AND THIRTY FOUR (35,534) SQUARE METERS, more or less.

That as an act of liberality and generosity, the DONOR hereby voluntarily and gratuitously transfers and conveys, by way of donation, unto said DONEE, its heirs.
That the DONOR hereby states, for the purpose of giving full effect and validity to this donation, that he has reserved for himself sufficient property, in full ownership or in usufruct, which is necessary and adequate for his support in consonance with his standing in society.

That the DONOR further states for the same purpose as expressed in the preceding paragraph, that this donation is not made with the object of defrauding his creditors, leaving reserved to himself property sufficient for his debts contracted prior to this date.

That the DONEE hereby receives and accepts this gift and donation made in its favor by the DONOR, and he hereby expresses his appreciation and gratefulness for the kindness and generosity of the DONOR.

IN WITNESS WHEREOF, the DONOR and the DONEE have hereunto subscribed their names, at Marikina, Metro Manila on this 27th day of December, 1994.

MUNICIPALITY OF MARIKINA
(DONEE)
TIN: __________________
By: __________________

AGUS DEVELOPMENT CORPORATION
(DONOR)
TIN: 000-391-199
By: __________________

By: __________________

SIGNED IN THE PRESENCE OF:
ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES
CITY OF QUEZON

Personally appeared before me, a Notary Public in and for Quezon City, Metro Manila, the following persons, exhibiting to me their respective Community Tax Certificates, to wit:

Agus Development Corp. 0021766 2/28/94 Quezon City
Valiente P. Lopez 3607896 2/28/94 Quezon City
Municipality of Marikina
Bayani P. Fernando 9124772 1/27/94 Manila, M.N.

all known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged to me that the same are their free act and deed as well as the free act and deed of the corporation which they represent.

The foregoing instrument, consisting of three (3) pages, including this page wherein this acknowledgement appears, is signed by the parties including their instrumental witnesses on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto sign this document and affixed my notarial seal at Quezon City, Metro Manila, this ______ day of December , 1994.

27th

[Signature]

NOTARY PUBLIC

PTR No. 1794772-94 Q.C.
IBP No. 365679-94 Calanduanes
Transfer Certificate of Title

No. 4564115

No. 329407

I, hereby certify that certain land situated in the Mun. of MARIKINA, Province of Rizal, bounded and described as follows:

A parcel of land, Lot 49-G-3-E-4-A of the subd. plan (LRC) Psd-56836, being a portion of Lot 49-G-3-E-4 described on plan Psd-18247, LRC (d/LAO) Rec. No. 7672, situated in the Mun. of Marikina, Province of Rizal. Bounded on the NE., pts. 8 to 1 & 1 to 2 by Lot 49-G-3-D, Psd-5735 (The Manila Electric Co.), on the SE., pts. 2 to 6 by the Marikina River; on the SW., pts. 6 to 7 by Lot 49-G-3-E-4-B of the subd. plan, & on the NW., pts. 7 to 8 by Lot 49-G-3-E-3 Psd-18247 (Angela Tsason). Beginning at a point marked "1" on plan, being S. 64 deg. 33' W., 1615.22 m. from Lot 1, Mun. of Marikina, (OVER)

Is registered in accordance with the provisions of the Property Registration Decree in the name of MUNICIPALITY OF MARIKINA, a local government unit existing under the laws of the Philippines.

I, as owner thereof in fee simple, subject to such of the encumbrances mentioned in Section 44 of said Decree as may be subsisting, and to

IT IS FURTHER CERTIFIED that said land was originally registered on the 16th day of April in the year nineteen hundred and sixty-three in the Registration Book of the Office of the Register of Deeds of RIZAL, Volume 11, page 237 as Original Certificate of Title No. 1738 issued in L.R.C. 23730, in the name of [Name]. This certificate is a transfer from Certificate of Title No. 180557/T-1179 which is cancelled by virtue hereof in so far as the above-described land is concerned.

Entered at Marikina, Metro Manila on the 13th day of March in the year nineteen hundred and ninety-seven at 10:18 a.m.

EDGAR B. SANTOS
(Owner's postal address)

(Owner's signature)

(Municipal Hall of Marikina, Metro Manila)

(Owner's address)

(Owner's signature)

(Owner's name)

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MEMORANDUM OF ENCUMBRANCES

(When necessary use this page for the continuation of the technical description)

Rizal, thence S. 33 deg. 43' E., 103.91 m. to pt. 2; thence S. 87 deg. 51' W., 8.01 m. to pt. 3; thence S. 36 deg. 00' W., 109.00 m. to pt. 4; thence S. 27 deg. 15' W., 34.00 m. to pt. 5; thence S. 16' W., 34.00 m. to pt. 6; thence N. 36 deg. 15' W., 109.00 m. to pt. 7; thence S. 36 deg. 15' E., 155.33 m. to pt. 8; thence N. 33 deg. 43' E., 14.30 m. to the pt. of beginning, containing an area of THIRTY-FIVE THOUSAND, FIVE HUNDRED THIRTY-FOUR (35,537.44) SQUARE METERS, more or less. All points referred to are in the plan and are marked on the ground as follows: point by OLD P.L.S. Cyl. Cono. Mns. 15x60 cm., points 6 to 7 by Cyl. Cono. Mns. 15x60 cm., and the rest by OLD Stakes. Date of original survey Dec. 18, 1911 and the subd. survey Oct. 28-29 and Nov. 4-5, 1965 and March 22-25.

EDGAR D. SANTOS, Actg. Reg.
Plan

OF LOT-19-C-3-E-4-A, (LRC)Psd-56038

AS SURVEYED FOR
AGUS DEVELOPMENT CORP.

SITUATED IN THE

BARANGAY NO. ZONE NO.
OF: CALUMPANG OF: MARIKINA
MUNICIPALITY OF: RIZAL PROVINCE OF: RIZAL
ISLAND OF: LUZON

CONTAINING AN AREA OF 35,534 Sq. M.

BEARINGS: TRUE
SCALE: 1:2000

I certify that this is a correct plan of the land survey herein plotted in accordance with the original field notes and computations herewith submitted to the Bureau of Lands, that the data of said field notes and computations of the property whose boundaries are indicated to me by the owner or his authorized agent; that adjoining owners or claimants were duly notified of the survey, and that the survey was executed by me in conformity with pertinent laws of the Republic of the Philippines and regulations of the Bureau of Lands.

Date of Survey: JUNE 11-15, 1934

Florentino F. Feria
Geodetic Engineer

Original Survey: DEC. 1910 - JUNE 1911
Department of Natural Resources
Bureau of Lands
Region Office

I certify that the complete survey returns of the herein described survey which are on file in this Office were verified and found to conform with pertinent laws of the Philippines and with applicable regulations of the Bureau of Lands. In view of the approval of this plan is hereby recommended.

CHIEF SURVEYS DIVISION

APPROVED:
This approved plan, however, shall not be construed as title to the land.

________________________
Philippines. Date:

Submitted to Region REGIONAL DIRECTOR

DATE RETURNED REASON RECEIVED BY

Position verified by: ____________________________ ____________________________
Plotted on P.M. N. and E. by: ____________________________ ____________________________
Field Notes checked by: ____________________________ ____________________________
Computations checked by:
A. Astronomer:
B. Topographer:
C. Land Surveyor:
Plotted/checked by: ____________________________ ____________________________
Traced by: ____________________________ ____________________________
Checked & verified by: ____________________________ ____________________________
Patented: ________________ Survey No.: ________________
Survey No. ________________ 10 ________________
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O.C.T. No. ________________ Issued to: ____________________________
T.C.T. No. ________________ Issued to: ____________________________

ADDITIONAL INFORMATION AFTER DATE OF APPROVAL:
Resettlements of Squatters in Phase II, Sunflower and Agus Olandes: Industrial Valley Complex Marikina City

- Issue on the Security of Tenure

There are about 450 squatter families affected by the resettlement in the above mentioned communities. Of the 450 squatter families, 247 were resettled by Marikina Settlement Office (MSO) in a 1.4 - hectare lot owned by San Miguel Realty, Inc. in Parang while 62 households were resettled in Nangka Balubad Settlement Site, both located in Marikina City. The rest, in their own capacity, preferred their relocation in Montalban, Rizal, without assistance from Marikina City. The two (2) resettlement site are owned by private persons.

The 1.4 ha. San Miguel resettlement site has already a Memorandum of Agreement (MOA) between the LGU, the PAF's and the Owner to sell the property for resettlement. The said resettlement site is now under the Community Mortgage Program (CMP) at P1,000 – per square meter originated by the City Government of Marikina for application to the National Home Mortgage & Finance Corporation (NHMFC) under 25 years payment scheme. The said resettlement site is now under the Community Mortgage Program (CMP) at P1,000 – per square meter originated by the City Government of Marikina for application to the National Home Mortgage & Finance Corporation (NHMFC) under 25 years payment scheme. Declared as settlement site through a City Ordinance No. 331 Series of 1997.

The Phase II Balubad resettlement site on the other hand where the 62 families from Industrial Valley Complex (IVC) were resettled will undergo a Direct Purchase Scheme with the TQG enterprises (lot owner) at P750.00 per square meter, with the intervention of Marikina Settlements Office in formalizing and documenting said endeavor. The Balubad resettlement site is also declared as a permanent relocation site through a City Ordinance No. 269 Series of 1997.

After the peaceful resettlements of the squatter families, the bulk of challenge of Marikina now is to develop and improve the lives of the program beneficiaries. To provide them basic services such as lights and water, infrastructure such as roads, alleys, drainage system, sanitary provision and more importantly to give the security of tenure to the lots occupied so that they may live with dignity of being lot owner and no longer squatters. These are the prime concerns of Marikina Settlements Office (MSO). The resettlement of squatters in Marikina City is a responsibility tasked to MSO. With a defined objective of “Squatters Free Marikina 2000,” the office was created on February 5, 1993 by the City Council led by Marikina City Mayor Eng’r. Bayani Fernando, in accordance with the national government declaration that the period 1994 – 2003 be the Decade of Shelter for All and Urban Development and Socialized Housing.
THE RESETTLEMENTS OF SQUATTERS
IN PHASE II, SUNFLOWER AND AGUS OLANDES;
INDUSTRIAL VALLEY COMPLEX MARIKINA CITY
(A Success Story)

Resettlement of squatters is considerably a vital thrust of the government, from National to Local level. A vital thrust of government to relocate squatter families from danger zones and areas to be affected by government projects to resettlement sites where better life should be initiated. As such, were the eviction and relocation of families occupying Agus, Phase II and Sunflower in barangay Industrial Valley Complex (IVC).

The demolition and relocation operations affecting around 450 squatter families in the above mentioned communities were undertaken peacefully without any casualties from March 24, 1998 that lasted until the first week of April of same year, with the alliance of inter-agency committee namely; DPWH, NHA, PNP, CHR, PCUP, local government of Marikina (primarily its Settlements Office) and other concerned national agencies to realize two objectives. These are; (1) to comply with the mandate of R.A. 7279 to relocate squatters in danger zones such as flood prone areas or river banks and (2) to anchor certain relevant infrastructure project of the Department of Public Works and High ways (DPWH) known as the C5 By-Pass road project designed to lessen traffic problems benefiting motorists from focal urban points of Metro Manila and Rizal province. This road connects C5 Quezon City, Marcos Hi-way and A. Bonifacio Marikina.

The aforesaid project is a relevant project of the DPWH pursuant to the component of Philippines 2000 launched under Ramos’ Administration, to address traffic incidence in our ride to economic development.

Prior to this, the inter-agency committee launched various activities in line with the demolition operation to comply with the provisions of R.A. 7279. Series of dialogues/meetings and issuance of demolition notices to the affected families were made to enhance their awareness and preparation to the said operations since early 1994.

Out of the total magnitude of families affected, the City of Marikina through its Settlements Office initiated and accommodated the resettlements of 309 families to its resettlement areas namely San Miguel Realty (1.4 has.) located at Barangay Parang and Nangka Balubad located at Barangay Nangka both parts of Marikina as contained under
A total of 247 families were relocated to San Miguel Realty and 62 families to Nangka Balubad.

After the peaceful undertaking from actual dismantling of structures to resettling squatters to various resettlements areas, the bulk of challenge of Marikina now is to develop and improve the lives of the program beneficiaries. To provide them basic services such as lights and water, infrastructures such as roads, alleys, drainage system, sanitary provision and more importantly to give the security of tenure to the lots occupied so that they may live with dignity of being lot owner and no longer squatters. These are the prime concerns of Marikina Settlements Office (MSO).

The delivery of individualized electric facilities in the mentioned sites were already completed through the Depressed Areas Electrification Program (DAEP) of MERALCO while all other projects such as infrastructures are not yet completed but given priority to the year 2000 budget.

In the aspect of land tenure security, the San Miguel relocation site is now under the Community Mortgage Program (CMP) at Php1,000 per square meter originated by the City Government of Marikina for application to the National Home Mortgage and Finance Corporation (NHMFC) under 25 years payment scheme.

The Phase II Balubad resettlement site on the other hand where the 62 families IVC were resettled will undergo a Direct Purchase scheme with the TQG lot owner at P 750.00 / square meter, with the intervention of the City Office in formalizing and documenting said endeavor.

included demolition and clearing of squatters in barangay Industrial Valley was indeed an opener for a certain relevant infrastructure projects to take support the country’s drive against rampant “Urban Traffic of the nation’s economic development. As well as indeed, a great of Pres. Erap Estrada’s program “Erap para sa Mahirap”.

provided in ti
NATIONAL ROADS IMPROVEMENT MANAGEMENT PROGRAM

POLICY FRAMEWORK

FOR

LAND ACQUISITION, RESETTLEMENT AND REHABILITATION

Department of Public Works and Highways

Manila, Philippines

November 1999
### TABLE OF CONTENTS

1. Introduction

2. Definition of Terms

3. Objectives and Principles of the Resettlement Policy
   3.1 Overall Philosophy of the Resettlement Policy
   3.2 Principles of Resettlement

4. Institutional and Legal Framework
   4.1 Institutional Framework
   4.2 Legal Framework
      a) PD 170 (Revised Highway Act)
      b) EO 113 (1995), EO 621 (1980)
      c) EO 1035
      d) PD 1818 (1981)
      e) MO 65, Series Of 1983
      f) Supreme Court Ruling (1987)
      g) DO 142 (1995)
      h) RA 6389
      i) Republic Act 7279 (1992) and RA 8368 (1997)
      j) AO 50 (1999)

5. Compensation Matrix

6. Application of the Participatory Process to the Project Cycle
   6.1 Project Preparation Stage
      a) Pre-feasibility
      b) Feasibility
      c) Finalization of Technical Design
   6.2 Project Implementation Stage
   6.3 Post-project Implementation Stage

7. Institutional Requirements of Resettlement
   7.1 DPWH
      a) Environment and Social Services (ESS)
      b) Regional and District Engineering Offices Of DPWH
   7.2 RAP Implementation Committee (RIC)
   7.3 Grievance Procedures

8. Roles and Responsibilities of DPWH, the LGUs and the Communities

9. Costs and Budgets

10. Indigenous Peoples Guidelines
1. INTRODUCTION

In view of the archipelagic nature of the Philippines, the transportation system plays a crucial role in the integration and development of the national economy.

The Department of Public Works and Highways (DPWH) is responsible for the national road network, while the rest of the road network (provincial, barangay and municipal roads) is managed by the respective Local Government Units (LGUs). The road system of the Philippines has an aggregate length of about 190,030 km, of which 27,912 km are national roads while the rest are provincial, municipal and barangay roads. About 20% of the total network is paved; the balance is gravel and earth. Of the national roads, 61% is paved. Upgrading, rehabilitation and improved maintenance therefore are the main challenges for the road sector.

The Government of the Philippines (GOP) is presently embarking on a major institutional reform program for DPWH under the Medium Term Development Program (1999 - 2004). The Adaptable Program Loan (APL) approach is being proposed. Under this approach, three successive phases over a nine-year period are recommended. This will provide a logical framework for the World Bank in extending a sustained support program to the GOP relative to the country's long-term road network development and maintenance program.

Dubbed as the National Roads Improvement and Management Program (NRIMP), its overall objective is to achieve effective management and financing of the national road network, the completion of this road network to all-weather standards, and the preservation of the same to sustainable operating conditions. Under NRIMP Phase 1 (or NRIMP-1), the following outputs are being targeted:

a) develop and adopt new/improved organizational structures for more effective management and financing of the national road network;

b) develop and implement priority road information and management tools;

c) implement priority road upgrading, rehabilitation and maintenance works; and

d) work for improved quality and capacity of the road construction and consulting industry.

Indeed, one very significant concern of NRIMP-1 involves the strengthening of DPWH as an institution. Among others, this calls for the strengthening of the environmental and social capabilities of the Department. Moreover, DPWH is aware that in the pursuit of its infrastructure undertakings, the following key social concerns will have to be squarely addressed:
Resettlement Policy

DPWH

a. Involuntary Resettlement
b. Public Consultation and Participation
c. Protection of Marginalized and Vulnerable Groups

DPWH will undertake during the pre-feasibility and environmental screening stage of project preparation a Social Impact Assessment (SIA) exercise and Land Acquisition Assessment (LAA) to study the types, degree and scale of impacts of the project. Particular attention will be paid to adverse impacts to the affected community, such as loss of land and other fixed assets and the number of persons marginally or severely affected. Where possible, appropriate modifications to the project will be made in order to avoid or minimize adverse impacts. However, if adverse impacts are inevitable, appropriate mitigating measures will be adopted precisely for the purpose of minimizing foreseeable socio-economic effects that a project will have on the people. To help ensure this, a resettlement action plan (RAP) will be prepared for all road projects to be undertaken by the Department under the NRIMP.

Parts of the national highway network of the country traverse areas that are inhabited mainly by indigenous and tribal groups. Thus, in the event that the majority of affected people on a road link are indigenous peoples, the Resettlement Action Plan (RAP) that will be prepared will ensure that the same is in harmony with the socio-economic practices and preferences of the people.

In view of the foregoing, DPWH has formulated a comprehensive Land Acquisition, Resettlement and Rehabilitation Policy, hereinafter called as the ‘Resettlement Policy’, to govern all NRIMP projects of the Department relative to land acquisition, compensation, and resettlement of project-affected persons (PAPs) and vulnerable communities.

This Resettlement Policy will, therefore, aim to achieve the following:

a. Adverse social impacts of road projects are avoided, minimized, and/or mitigated;
b. PAPs are provided with sufficient compensation and assistance for lost assets which will assist them to improve or at least maintain their pre-Project standards of living; and
c. Everybody will benefit from the projects.

The LARR Policy will serve as the overall framework in the preparation of RAPs for projects to be implemented under the World Bank-assisted NRIMP. Included in this policy are the principles and objectives used; a rundown of existing legal, regulatory and policy framework within which the Policy has to operate; compensation matrix; general procedures to be followed to ensure public support; and, provisions for internal and external monitoring.
2. DEFINITION OF TERMS

a) **Compensation** means payment in cash or in kind for an asset to be acquired or affected by an infrastructure project at replacement cost as provided in Section 2.i below.

b) **Cut-off Date** is the date of commencement of the census of affected persons within the project area boundaries. Persons not covered in the census are not eligible for claims for compensation.

c) **Disturbance Compensation** is the compensation amount paid to lessees of agricultural land severely (i.e., >20% of the land or when the land is no longer economically viable) affected by the project equivalent to 5 times the average gross harvest during the last 5 years (RA 6389 and EO 1035, series of 1985).

d) **Financial Assistance** is the cash amount paid to agricultural tenants/settlers/occupants severely affected by the project equivalent to the average gross harvest for the last 3 years and not less than PhP15,000 per ha (EO 1035), aside from the cash payment/compensation of their crops actually damaged by the project. It may also be given to owners of the land acquired under CA 141 for the area of portion subject to section 112 thereof.

e) **Inconvenience Allowance** is the amount given to each PAPs who holds full title, tax declaration or some proof of traditional ownership (such as usufruct when the PAP belongs to an indigenous community), to the land where his/her severely affected house stands and who has to shift elsewhere.

f) **Land Acquisition** means the process whereby a person is compelled by the GOP to alienate all or part of the land he/she owns or possesses, to the ownership and possession of the government, for public purpose in return for a consideration.

g) **Professional Squatters** (as defined by Republic Act 7279) applies to persons who have previously been awarded homelots or housing units by the government but who sold, leased or transferred the same to settle illegally in the same place or in another urban area, and non bone fide occupants and intruders of lands reserved for socialized housing. The term also refers to individuals or groups who occupy lands without the expressed consent of the landowner and who have sufficient income for legitimate housing. This definition excludes individuals or groups who simply rent land and housing from professional squatters or squatting syndicates.

h) **Project Affected Family** (PAF) consists of all members of a household residing under one roof and operating as a single economic unit, who are adversely affected by the project. For
resettlement purposes, Project Affected Persons (PAPs) will be dealt with as members of Project Affected Families (PAFs).

h) Project Affected Person (PAP) includes any person or persons, household, a firm, or a private or public institution who, on account of the execution of the project, would have their right, title or interest in all or any part of a house, land (e.g., residential, agricultural, and pasture), annual or perennial crops and trees, or any other fixed or moveable asset acquired or possessed, in full or in part, permanently or temporarily.

i) Relocation means the physical shifting of a PAP from his/her pre-project place of residence.

i) Replacement Cost as determined by an independent appraiser hired by the project or by a court of law as compensation for:

   i. Agricultural or residential land;
   ii. Houses and other related structures based on current market prices of materials and labor if the same were to be re-constructed with no deductions for salvaged building materials;
   iii. Crops based on current market value; and
   iv. Trees and other perennials based on DENR or those of the independent consultant’s.

k) Resettlement means all measures taken to mitigate any and all adverse social impacts of a project on the PAPs, including compensation and relocation as needed.

l) Social Assessment is a framework for incorporating social analysis and participatory process in project design and implementation.

m) Squatting Syndicates (as defined by RA 7279) refers to groups of persons who are engaged in the business of squatter housing for profit or gain.
3. OBJECTIVES AND PRINCIPLES OF THE RESETTLEMENT POLICY

3.1 Overall Philosophy of the Resettlement Policy

The Resettlement Policy of DPWH is anchored on the philosophy that government projects must serve the common good. However, in the design and implementation of such projects, all efforts must be exercised to ensure that:

a) Adverse social and physical impacts are avoided, minimized and/or mitigated;
b) Everybody, including PAPs, will benefit from the projects;
c) PAPs are provided with sufficient compensation and assistance for lost assets which will assist them to improve or at least maintain their pre-Project standard of living; and
d) Project stakeholders (which include PAPs) are consulted regarding the project's design, implementation and operation.

3.2 Principles of Resettlement

The following principles will be applied in this RAP:

a. Acquisition of land and other assets and shifting of people will be avoided or minimized as much as possible.

b. Only those PAPs found to be residing in, doing business, or cultivating land, or having rights over resources within, the project area as of the date of the census surveys (i.e., cut-off date) are eligible for compensation for lost assets.

c. In following with the objective of the resettlement policy that displaced persons will be assisted in their efforts to improve their livelihood and standards of living, or at least to restore them to the pre-project level, supplemental assistance, as provided for by law, in addition to zonal value + 10% (AO 50) will be provided to affected landowners (i.e., for residential, commercial or agricultural land) to enable these PAPs to have land replaced to that level. For calculation purposes, the supplemental assistance would correspond to the difference between the zonal + 10% and the replacement cost of the land to be based on an appraisal of its fair market value. The market value would be determined by an accredited or licensed independent appraiser who works in accordance with internationally recognized standards. Proof of ownership over a piece of land may be established through possession of a title or tax declaration, or customary law (e.g., usufruct, possessory rights) or other acceptable proof of ownership.
d. In the event that the PAP rejects the compensation package (i.e., 'zonal value + 10%' and supplemental assistance, when applicable), being offered by DPWH, the Department will initiate expropriation proceedings, using the procedures spelled out by AO 50. Moreover, the whole amount being offered by DPWH as compensation will be deposited in an escrow to allow the Department to proceed with the works. The PAP will receive the amount that the court will decide as replacement cost for his/her affected property.

e. If the PAP rejects the amount being offered by DPWH as compensation for other affected fixed assets (e.g., main structures and/or miscellaneous structures, plants and trees of commercial value) and the case is referred to a court of law, the Department will deposit in an escrow 100% of the said amount to allow DPWH to proceed with the works. The amount of compensation that the court will decide on will be paid to the PAP within one (1) month following receipt of the decision of the court.

f. PAPs losing all of their fixed assets (e.g., farmland, house), or incurring partial loss where the remaining assets are determined by competent authorities as not viable anymore for continued use, will be entitled to full compensation for the entire affected assets at replacement cost. The DPWH will assume ownership of the said affected assets upon payment of full compensation therefor.

g. In the case of PAPs affected by partial impact on their assets, i.e. partial loss of land or structures, and where the remaining assets are viable for continued use, compensation for the affected assets will be paid in cash.

h. PAPs who are on the ROW and who are not "professional squatters" will be compensated for affected structures but not for land.

i. If not otherwise stated, the modes of compensation are as follows: (i) compensation equivalent to the amount of materials and labor to re-construct a similar structure for houses and other fixed structures with NO deductions for salvaged materials; (ii) compensation at replacement cost for the loss of other fixed assets; (iii) compensation for the affected land in the form of land of equivalent productive value at a location acceptable to the PAP, or if land is not available, cash representing the market value of the land; and (iv) disturbance compensation to lessees of agricultural land affected by the project equivalent to 5 times the average gross harvest during the last 5 years (RA 6389 and EO 1035, series of 1985).

j. DPWH will provide the following additional resettlement assistance to eligible PAPs:

i. Granting of financial assistance (also referred to as subsistence allowance) of PhP15,000 each to PAPs whose agricultural land, which are covered by a full title, tax declaration or some proof of traditional ownership (such as usufruct when the PAPs belong to an indigenous community), will be severely (i.e., total asset lost) affected.
Resettlement Policy

ii. Granting of financial assistance of PhP15,000 each to PAPs doing business on severely-affected main structures (e.g., store, shop, warehouse, and similar structures) which are constructed on lands that are covered by titles, tax declaration with full title, tax declaration or some proof of traditional ownership (such as usufruct when the PAPs belong to an indigenous community).

iii. Granting of inconvenience allowance of PhP10,000 each to PAPs who hold full title, tax declaration or some proof of traditional ownership (such as usufruct when the PAP belongs to an indigenous community), to the land where their severely affected houses stand and who have to shift elsewhere.

iv. Granting of rehabilitation assistance in the form of special skills training or other development activities to PAPs whose only source of income are severely impacted and may have to engage in some other income-earning activities. This rehabilitation assistance may also be granted to vulnerable groups, like indigenous peoples, women, elderly, etc. DPWH will coordinate closely with concerned government agencies who have the mandate and the expertise to undertake rehabilitation assistance, such as the conduct of skills training.

v. Financial assistance to agricultural tenants, settlers/occupants, cultural minorities displaced from their agricultural land (i.e., severely affected) equivalent to the average annual gross harvest for the last 3 years but not less than PhP15,000 per ha (EO 1035), aside from the cash payment/compensation of their crops actually damaged by the project. It may also be given to owners of the land acquired under CA 141 for the area of portion subject to section 112 thereof.

vi. Provision of transportation to PAPs who are relocating, including shanty dwellers in urban areas who opt to go back to their place of origin (e.g., province) or to shift to government relocation sites.

vii. Granting of transitional allowance to house tenants of affected main structures who will have to find a new place on account of the project equivalent to one month rent of a similar structure within the same area;

k. Replacement residential and agricultural lands will be as close as possible to the land that was lost and/or acceptable to the PAPs. All replacement land for residence, commerce and agriculture will be provided with secured tenure status.

l. Where relocation is considered necessary, the lot owner of the proposed relocation site will also be entitled to compensation for his/her land. The receiving LGU (i.e., the LGU under whose political jurisdiction the relocation site is located) may apply for assistance with
DPWH for the provision of basic services, such as street lights and improved access road, for the community where the relocation site is to be constructed.

m. Plans for acquisition of land and other assets will be carried out in consultation with the PAPs who will receive prior information of the compensation options available to them.

n. Where cultural minorities or indigenous peoples are affected by the project, the social and economic benefits they receive will be in harmony with their cultural preferences and will be decided in consultation with them. (See Indigenous People's Guidelines).

o. Any acquisition of, or restriction on access to resources owned or managed by PAPs as a common property will be mitigated by arrangements ensuring access of those PAPs to equivalent resources on a continuing basis.

p. Resettlement programs will include adequate institutional arrangements to ensure effective and timely design, planning, consultation and implementation of compensation and resettlement. DPWH will ensure effective coordination with relevant agencies for the implementation of the resettlement plan.

q. Adequate arrangements will be made for effective and timely supervision, internal and external monitoring of the implementation of the RAP.

r. The resettlement transition period will be minimized and the acquisition of assets needed for the project (by way of a Writ of Possession in the event of expropriation proceedings), as well as all resettlement activities including compensation, will be completed at least one month prior to the initiation of construction work.
4. INSTITUTIONAL AND LEGAL FRAMEWORK

4.1 Institutional Framework

The overall responsibility for enforcing this Resettlement Policy, including preparation of necessary Resettlement Action Plans and/or other documents, and for implementing the RAPs, rests with the DPWH. To ensure that this policy is carried out effectively in a project, DPWH will designate an 'External Monitoring Agency' to monitor the effectiveness of resettlement activities. The Department will make special efforts to ensure good community relationship and to promptly address compensation problems and complaints. DPWH will ensure that PAPs are afforded opportunities for active and affective participation in the preparation and implementation of the RAPs.

Funds for planning and implementing resettlement activities will be provided by DPWH based on budgetary requirements established in the RAPs.

4.2 Legal Framework

The overall objective of the Resettlement Policy is derived from the Bill of Rights of the Constitution of the Republic of Philippines:

Article III, Section 1: No person shall be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of the laws.

Article II, Section 9: Private property shall not be taken for public use without just compensation.

The World Bank's Operational Directive 4.30 and Operational Policy 4.12, both on involuntary resettlement, share the same concern for due process and the right to just compensation for everybody. The guiding principle of both OD 4.30 and OP 4.12 is that adverse impacts by a development project must be avoided or minimized, with appropriate resettlement measures, and that affected people are given the opportunity to share project benefits with the rest of the population.

Other applicable laws, Executive Orders, Administrative Orders, and derivative Department Orders in the country are provided below.

a) PD 170, Revised Highway Act

- It is illegal to use, occupy and convert any portion of the ROW.
b) EO 113 (1995) and EO 621 (1980)

- National Roads will have a ROW of at least 20 m in rural areas and may be reduced to 15 m in highly urbanized areas.
- ROW will be at least 60 m in unpatented public land.
- ROW will be at least 120 m through natural forested areas of aesthetic or scientific value.

c) EO 1035, providing for the conduct of:

- Feasibility study.
- Public information campaign.
- Parcellary survey.
- Assets inventory.

Other features of the Executive Order are:

- Land acquisition based on fair market value to be negotiated between the owner and the appraisal committee.
- Resettlement/relocation of tenants, farmers and other occupants.
- Financial assistance to displaced tenants, cultural minorities and settlers equivalent to the average annual gross harvest for the last 3 years and not less than PhP15,000 per ha.
- Disturbance compensation to agricultural lessees equivalent to 5 times the average gross harvest during the last 5 years.
- Compensation for improvements on land acquired under Commonwealth Act 141.
- Government has power to expropriate in case agreement is not reached.

d) PD 1818 (1981)

- Rules that no court can issue restraining orders or preliminary injunction in cases involving infrastructure and mineral resource development projects of the government.

e) MO 65, Series of 1983

- Lists various modes for the acquisition and payment of compensation for ROW, such as:
  - Easement of ROW where the owner is paid the land value to use the land but the owner still retains ownership over the same.
  - Quit claim where the Government has the right to acquire 20/60 m of the land acquired through CA 141. Only improvements will be compensated.
  - Expropriation if other options fail. The government agency concerned has the right to take immediate possession, control and disposition of the property.
f) **Supreme Court Ruling (1987)**

- Defines just compensation as fair and full equivalent for the loss sustained, taking into account improvements, location, capabilities, etc.
- The value given by the appraisal committee can only serve as a guide for negotiation.
- P.D.76, PD 464 (Section 92), PD 794 (Section 92), and PD No. 1533 (Section 1), defining the basis for payment of 'just compensation' as the lower of the value declared by the owner or administrator for private property, were declared unconstitutional by the Supreme Court in case G.R. No 59602, entitled “EPZA” vs. CFI, Bn. XVI Lapu-Lapu City and San Antonio Dev. Coop.


g) **DO 142 (1995)**

- Aims to avoid unnecessary delays in civil works.
- Inclusion of parcellary plans and cost estimates for ROW acquisition in detailed engineering stage.
- EO 1035 and MO 65 will still be followed in matters relating to the acquisition and compensation of private properties.

h) **Republic Act 6389**

- Provides for disturbance compensation to agricultural lessees equivalent to 5 times the average gross harvest in the last 5 years.

i) **Republic Act 7279 (1992)**

- Prohibits construction of illegal structures on “danger areas”.
- Eviction and demolition of such illegal structures without compensation.
- Amended by RA 8368 (1997) which provides that squatter houses built before 1983 are entitled to relocation assistance prior to their displacement.

j) **AO 50 (1999)**

- Fair compensation to be based on zonal value + 10%.
- If this fails, government agency will initiate expropriation proceedings and the following parameters will be considered in determining compensation:
  - Classification and use for which the property is suited
  - Developmental costs for improving the land
  - Value declared by the owner
  - Current selling price of similar lands in the vicinity
Resettlement Policy

- Reasonable disturbance compensation for the removal and/or demolition of certain improvements on the land and for the value of improvements thereon
- Size, shape or location, tax declaration and zonal valuation of the land
- Price of the land as manifested in the ocular findings, oral as well as documentary evidence presented
- Facts and events so as to enable the affected property owners to have sufficient funds to acquire similarly-situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible
## 5. COMPENSATION MATRIX

In line with the aforementioned objectives and principles of resettlement (Chapter 3) and the legal framework (Chapter 4), the matrix below will be used in the settlement of claims for compensation for lost assets of PAPs. Unless otherwise indicated, payment of compensation and other entitlements and the extension of assistance will be given to PAP households, not individuals.

<table>
<thead>
<tr>
<th>Type of Loss</th>
<th>Application</th>
<th>Entitled Person</th>
<th>Compensation</th>
</tr>
</thead>
</table>
| Arable land  | Actual area needed by the road project and the remaining land is still economically viable | Owners with full title, tax declaration or who are covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership | For the portion of the land needed:  
+ Cash compensation equivalent to zonal value + 10% (AO 50)  
+ Topping-up supplemental assistance equivalent to the difference between the zonal value + 10% and the fair market value in the area as established by the independent appraiser to be hired by the project  
+ Cash compensation for perennials of commercial value as determined by the DENR or the concerned appraisal committee  
+ PAP will be given sufficient time to harvest crops on the subject land |

| Arable land  | PAPs without title, tax declaration, or are not covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership | For the portion of the land needed:  
+ PAP will be given sufficient time to harvest crops  
+ Cash compensation for perennials of commercial value as determined by the DENR or the concerned appraisal committee  
+ Financial assistance to make up for land preparation in the amount of PhP 150 per square meter |

| Remaining land becomes economically not viable (i.e., PAP losing >20% of land holding or even when losing <20% but the remaining land is not economically viable anymore) | Owners with full title, tax declaration or who are covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership | + Cash compensation equivalent to zonal value + 10% (AO 50)  
or, if feasible, 'land for land' will be provided in terms of a new parcel of land of equivalent productivity, at a location acceptable to PAP, and with long-term security of tenure.  
+ Topping-up supplemental assistance equivalent to the difference between the zonal value + 10% and the fair market value in the area as established by the independent appraiser to be hired by the project  
+ Subsistence allowance of PhP 15,000  
+ PAP will be given sufficient time to harvest crops  
+ Cash compensation for perennials of commercial value as determined by the DENR or the concerned appraisal committee  
+ If relocating, PAP to be provided free transportation  
+ Rehabilitation assistance (skills training and other development activities) equivalent to PhP 15,000 will be provided in coordination with other government agencies if the present means of livelihood is no longer viable and the PAP will have to engage in a new income activity |
### Resettlement Policy

<table>
<thead>
<tr>
<th>Type of Loss</th>
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<th>Entitled Person</th>
<th>Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary use of land</td>
<td>All PAPs</td>
<td>PAPs without title, tax declaration, or are not covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership</td>
<td>+Financial assistance equivalent to the average annual gross harvest for the past 3 years but not less than PhP15,000  +PAP will be given sufficient time to harvest crops  +Cash compensation for perennials of commercial value as determined by the DENR or the concerned appraisal committee  +Financial assistance to make up for land preparation in the amount of PhP150 per square meter  +If relocating, PAP to be provided free transportation  +Rehabilitation assistance (skills training and other development activities) equivalent to PhP15,000 will be provided in coordination with other government agencies if the present means of livelihood is no longer viable and the PAP will have to engage in a new income activity</td>
</tr>
<tr>
<td>Agricultural lessees</td>
<td></td>
<td>PAPs without title, tax declaration, or are not covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership</td>
<td>As per RA 6389 and EO 1035:  +Disturbance compensation equivalent to five times the average of the gross harvest on the land holding during the five preceding years but not less than PhP15,000.  +Rehabilitation assistance (skills training and other development activities) equivalent to PhP15,000 will be provided in coordination with other government agencies if the present means of livelihood is no longer viable and the PAP will have to engage in a new income activity</td>
</tr>
</tbody>
</table>

#### 2. Residential land and/or Commercial land

| Actual area needed by the road project and the remaining land is still viable for continued use | Owners with full title, tax declaration or who are covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership | For the portion of the land needed:  +Cash compensation equivalent to zonal value + 10% (AO 50)  +Topping-up supplemental assistance equivalent to the difference between the zonal value + 10% and the fair market value in the area as established by the independent appraiser to be hired by the project  +Cash compensation for perennials of commercial value as determined by the DENR or the concerned appraisal committee |
**Resettlement Policy**

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<tbody>
<tr>
<td>Remaining residential or commercial land becomes not viable for continued use.</td>
<td>Owners with full title, tax declaration or who are covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership</td>
<td>+Cash compensation equivalent to zonal value + 10% (AO 50) or, if feasible, land for land will be provided in terms of a new parcel of land of equivalent market value, at a location acceptable to PAP, and with long-term security of tenure. The replacement land should be of acceptable size under zoning laws or a plot of equivalent value, whichever is larger, in a nearby resettlement area with adequate physical and social infrastructure. When the affected holding is larger in value than the relocation plot, cash compensation will cover the difference in value. +Topping-up supplemental assistance equivalent to the difference between the zonal value + 10% and the fair market value in the area as established by the independent appraiser to be hired by the project +Cash compensation for perennials of commercial value as determined by the DENR or the concerned appraisal committee +If relocating, PAP to be provided free transportation</td>
<td></td>
</tr>
<tr>
<td>Temporary use of land</td>
<td>All PAPs</td>
<td>+Compensation to be provided for loss of income during the period, standing crops, cost of soil restoration and damaged structures</td>
<td></td>
</tr>
<tr>
<td>3. Main Structures (e.g., house, house cum shop)</td>
<td>Owners of structure with full title or tax declaration to the land or those who are covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership</td>
<td>+Compensation in cash for affected portion of the structure, including the cost of restoring the remaining structure, as determined by the concerned appraisal committee with no deduction for salvaged building materials. +PAPs who have business affected due to partial impact on the structure are entitled to a subsistence allowance for the loss of income during the reconstruction period. (Such will be verified and computed by the Municipal Resettlement Implementing Committee or RIC).</td>
<td></td>
</tr>
<tr>
<td>Structure, with or without a building permit, partially affected and the remaining structure is still viable for continued use.</td>
<td>Owners of structures, including shanty dwellers in urban areas, have no title or tax declaration to the land or other acceptable proof of ownership</td>
<td>+Compensation in cash for affected portion of the structure, including the cost of restoring the remaining structure, as determined by the concerned appraisal committee with no deduction for salvaged building materials. +Shanty dwellers in urban areas who opt to go back to their place of origin in the province or be shifted to government relocation sites will be provided free transportation +PAPs who have business affected due to partial impact on the structure are entitled to a subsistence allowance for the loss of income during the reconstruction period. (Such will be verified and computed by the municipal Resettlement Implementing Committee or RIC). +Professional squatters will not receive compensation but they can collect their salvageable materials</td>
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<tbody>
<tr>
<td>Entire structure</td>
<td>Renters (tenants) of leased affected structures, including renters of shanty dwellings in urban areas</td>
<td>+Given 3 month notice on the schedule of demolition +If shifting is required, PAP is given transitional allowance equivalent to one month rent of a similar structure within the same area +For house tenants renting structures outside of or within the ROW, and who have to transfer elsewhere, free transportation will be provided +Renting shanty dwellers in urban areas who opt to go back to their place of origin in the province or be shifted to government relocation sites will be provided free transportation</td>
<td></td>
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<tr>
<td></td>
<td>Owners of structures with full title or tax declaration to the land or those who are covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership</td>
<td>+Compensation in cash for the entire structure at replacement cost as determined by the concerned appraisal committee without deduction for salvaged building materials. +Inconvenience allowance of PhP 10,000 per PAP. +PAPs who have business affected due to the severe impact on the structure are entitled to a subsistence allowance for the loss of income during the reconstruction period. (Such will be verified and computed by the RIC). +If relocation is necessary, free transportation will be provided +Rehabilitation assistance in the form of skills training and other development activities and equivalent to PhP 15,000 will be provided in coordination with other government agencies if the present means of livelihood (e.g., house cum shop) is no longer viable and the PAP will have to engage in a new income activity</td>
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</tr>
<tr>
<td>Entire structure affected OR when the remaining structure becomes not viable for continued use, with or without a building permit</td>
<td>Owners of structures, including shanty dwellers in urban areas, have no title or tax declaration to the land or other acceptable proof of ownership</td>
<td>+Compensation in cash for the entire structure at replacement cost as determined by the concerned appraisal committee without deduction for salvaged building materials. +Shanty dwellers in urban areas who opt to go back to their place of origin in the province or be shifted to government relocation sites will be provided free transportation +PAPs who have business affected due to the severe impact on the structure are entitled to a subsistence allowance for the loss of income during the reconstruction period. (Such will be verified and computed by the RIC). +If relocation is necessary, free transportation will be provided +Rehabilitation assistance in the form of skills training and other development activities and equivalent to PhP 15,000 will be provided in coordination with other government agencies if the present means of livelihood (e.g., house cum shop) is no longer viable and the PAP will have to engage in a new income activity +Professional squatters will not receive compensation but they can collect their salvageable materials</td>
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<td>+Given 3 month notice on the schedule of demolition +PAP is given transitional allowance equivalent to one month rent of a similar structure within the same area +For house tenants renting structures outside of, or within the ROW, and who have to transfer elsewhere, free transportation will be provided +Renting shanty dwellers in urban areas who opt to go back to their place of origin in the province or be shifted to government relocation sites will be provided free transportation +Rehabilitation assistance in the form of skills training and other development activities and equivalent to PhP15,000 will be provided in coordination with other government agencies if the present means of livelihood (e.g., house cum shop) is no longer viable and the PAP will have to engage in a new income activity</td>
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</table>

4. Independent shops (structures) | Shops, with or without building permit, partially affected and the remaining structures are still viable for continued use. | Owners of structure with or without full title or tax declaration to the land or those who are covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership | +Compensation in cash for affected portion of the structure, including the cost of restoring the remaining structure, as determined by the concerned appraisal committee with no deduction for salvaged building materials. +As determined by the RIC, PAPs will be entitled to transitional allowance to cover for their computed income loss during the demolition and reconstruction of their shops, but not to exceed a 1 month period. |

Entire shop affected OR when the remaining structure becomes not viable for continued use, with or without a building permit | Renters (tenants) of affected shops | +As determined by the RIC, shop renters will be entitled to a transitional allowance to cover for their computed income loss during the period that their business is interrupted |

Owner of structure with or without full title or tax declaration to the land or those who are covered by customary law (e.g., possessory rights, usufruct) or other acceptable proof of ownership | +Compensation in cash for the entire structure at replacement cost as determined by the concerned appraisal committee without deduction for salvaged building materials. +Subsistence allowance of PhP15,000 to each PAP +Free transportation will be provided if relocating +Rehabilitation assistance in the form of skills training and other development activities and equivalent to PhP15,000 will be provided in coordination with other government agencies if the present means of livelihood is no longer viable and the PAP will have to engage in a new income activity +Professional squatters will not receive compensation but they can collect their salvageable materials |
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<tbody>
<tr>
<td>Renters (tenants) of affected shops</td>
<td>+Given 3 month notice on the schedule of demolition +As determined by the RIC, shop renters will be entitled to a transitional allowance to cover for their computed income loss during the period that their business is interrupted, but not to exceed a 3 month period. +If shifting, either permanently or temporarily is required, shop renters are entitled to free transportation +Rehabilitation assistance in the form of skills training and other development activities and equivalent to PhP 15,000 will be provided in coordination with other government agencies if the present means of livelihood is no longer viable and the PAP will have to engage in a new income activity</td>
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</tr>
</tbody>
</table>

5. Other fixed assets or structures **Loss of, or damage to, affected assets, partially or entirely** PAPs **Compensation in cash for affected portion of the structure, including the cost of restoring the remaining structure, as determined by the concerned appraisal committee, with no depreciation nor deduction for salvaged building materials.**

6. Electric and/or water connection **Loss of, or damage to, affected assets, partially or entirely** PAPs **Compensation to cover cost of restoring the facilities**

7. Public facilities **Loss of, or damage to, public infrastructure (e.g., public water tanks, tram lines, bus stop sheds, loading platform, public health center, barangay center, electric or telephone lines, etc.)** Concerned agencies **Compensation in cash at replacement cost to respective agencies.**
6. APPLICATION OF THE PARTICIPATORY PROCESS TO THE PROJECT CYCLE

6.1 Project Preparation Stage

There are 3 main stages in project preparation, namely:

1. Pre-feasibility
2. Feasibility
3. Detailed engineering design

Each main activity has a series of sequential activities where participation is required.

a) Pre-feasibility

Step 1: DPWH, through the IBRD-PMO, will contact the Regional and District Engineering Offices about the project and its components.

Step 2: The IBRD-PMO, assisted by the Environmental and Social Service (ESS) or by the EIAPO or any designated unit of DPWH, will hold a preliminary meeting with concerned local government units (LGUs). The objectives of this meeting are to:

a) Explain the general concept of the project
b) Discuss/explain the requirements of the project and its likely impacts
c) Present tentative schedule of activities
d) Create awareness and appreciation among the LGUs about the Project
e) Identify the various project stakeholders
f) Set a general orientation meeting with stakeholders at the barangay level.

The target participants to the meeting with the LGUs are:

a) The Municipal Mayor(s)
b) Municipal Planning and Development Coordinators (MPDC)
c) The Sangguniang Bayan, especially the members of the Infrastructure Committee, and
d) Barangay Captains of the communities that are to be affected by the project.
Step 3: General Orientation of the Community

Before undertaking any survey activity in the community, the Project Team (IBRD-PMO with the Environmental and Social Services or the EIAPO or any designated unit of DPWH) will conduct a thorough barangay meeting to orient and ensure that the community understands the nature and extent of the proposed project. Awareness of the project will facilitate the data-gathering process and ensure the quality of data provided by the community to the project team.

The community orientation will be facilitated by officials of the barangay who attended the orientation meeting conducted earlier at the municipal office.

The suggested agenda for the General Community Orientation are:

a) Overview of the project, including overall objectives and merits of the same
b) Identification and discussion of the likely impacts of the project
c) Activities to be undertaken and their schedule, such as technical surveys, water resources assessment, social impact study, environmental impact assessment, etc.
d) Expected roles of the community during the conduct of the abovementioned technical studies.

Step 4: EIA/Social Assessment

The Project Team will assess the positive and adverse impacts of the project, number of households likely to be affected, types of impacts, tenure status, need for acquisition of private assets, relocation of people, etc.

Identify ethnic minority community affected, if any.

b) Feasibility

Step 5: RAP preparation

Based on the results of the SIA, a census and a full-blown socio-economic survey of PAPs\(^1\), including among others, an inventory of affected assets, will be conducted as an important step in drafting an appropriate resettlement action plan (RAP). Said RAP will include the amount and the process to be employed in the payment of compensation to PAPs.

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\(^1\) Census will be undertaken for all types of PAPs. Census covers general information on the PAP, such as demographic information and properties affected. Socio-economic surveys will cover only those who are severely affected by the project. Information to be gathered includes household income, expenditures, skills, etc. The information gathered will serve as benchmark data for those preparing, implementing, and evaluating the RAP designed for them.
A separate socio-economic survey of affected indigenous people communities will be undertaken as part of the preparation of an indigenous people action plan (IPAP), especially if the said indigenous group is not integrated into the mainstream society.

Step 6: Orientation of LGUs

Upon completion of the draft RAP, the Project Team will brief concerned LGUs (i.e., municipal and barangay level as necessary), with the view that a consensus will be achieved on the following:

a) Resettlement program  
b) Relocation sites, if needed  
c) Role of LGUs in RAP implementation

Step 7: Consultation with the Community

Still part of the process to finalize the draft RAP, consultation(s) with affected communities at the barangay level will be undertaken. For this purpose, the Project Team shall prepare a Public Information Leaflet containing a brief description of the project, including compensation policy for affected private properties.

The affected communities will also be informed on the mechanics and procedures for public participation and consultation, grievance redressal procedures, and the resettlement program. Likewise, the community’s suggestions regarding relocation site(s) will be solicited, and, where warranted, its preferences for the mode of compensation for affected fixed assets (i.e., cash or land-for-land).

In case an indigenous community will be affected by the project, the consultation will also touch on the socio-cultural implications of the draft RAP and the project.

Step 8: The Project Team will finalize the RAP and, if needed, an Indigenous People Action Plan.

c) Finalization of technical design

Step 9: The Project Team will orient the LGUs (municipal and barangay, as applicable) and affected communities on the final version of the RAP and its implementation, the results of the environmental impact study and the prepared environmental management plan, and the project’s detailed engineering (technical) designs.
6.2 Project Implementation Stage

Step 10: Setting-up of various Committees as required by the project and the RAP, such as the RAP Implementation Committee (RIC). PAPs will be represented with full voting power in these committees.

Step 11: Participation in Implementation

Whenever feasible, PAPs will be contracted in the implementation of the various activities of the project, such as reconstruction of damaged dwelling units and construction of small infrastructure units, like ripraps and retaining walls.

Step 12: Monitoring of RAP implementation

The Project Team will enlist the participation of PAPs in the monitoring of RAP implementation. Representation of the PAPs in the internal monitoring of the implementation of the RAP will provide a more accurate reading of the local community’s feelings and reactions. Specifically, internal monitoring will focus on: (i) seeing to it that RAP is implemented as designed and approved, and (ii) verifying if funds for implementing the RAPs are provided by project authorities in a timely manner and in amounts sufficient for their purposes, and that such funds are used in accordance with the provisions of the RAP.

An independent agency or agencies will be retained by DPWH to carry out external monitoring and evaluation of the implementation of RAPs. The independent agencies may be NGOs, academic or research institutions or independent consulting firms, with qualified and experienced staff and with terms of reference acceptable to the Bank.

6.3 Post Project Implementation Stage

Step 13: Evaluation of RAP implementation

A composite body of representatives from the Project Team, concerned LGUs, the various committees formed, and PAPs will be formed to conduct an evaluation of the RAP upon completion of its implementation. The coverage of the evaluation will include RAP preparation and actual implementation. Strengths and weaknesses of the whole process of the RAP will be identified for the purpose of drawing lessons from them. Said lessons will guide DPWH in future projects.
7. INSTITUTIONAL ARRANGEMENTS OF RESETTLEMENT

7.1 DPWH

The IBRD-PMO is overall responsible for implementing the project. In coordination with relevant agencies, the IBRD-PMO will manage and supervise the project, including resettlement activities and land acquisition. The IBRD-PMO will be assisted by the proposed Environment and Social Services (ESS), or an interim special unit, like the EIAPO, in the absence of the ESS, in providing technical guidance and support in the implementation of the RAP.

a) Environment and Social Services (ESS)

It is proposed that an Environmental and Social Services (ESS) be set up at the DPWH central office to attend to environmental and social issues and concerns that may arise in the implementation of the Department's programs. The Social Division of the ESS will be headed by a senior social scientist. The ESS will provide technical guidance and support in the implementation of the RAP and will be responsible for the following resettlement activities:

a. overall preparation and planning of the RAP;

b. submitting RAP budget plans (to include compensation, relocation costs, operation) for approval and allocation of needed resources by DPWH central office;

c. ensuring the availability of funds and the proper accounting of expenses;

d. in accordance with the Department's resettlement policies, guiding the RAP Implementation Committees (RICs) in their tasks, such as the verification of PAPs, final inventory of affected assets, and information dissemination;

e. amending or complementing the RAP in case problems are identified during the internal and/or external monitoring of its implementation;

f. in collaboration with its counterpart in the region, following-up with concerned DPWH Regional Office the processing of compensation claims of PAPs;

g. in collaboration with its regional and district counterparts, monitoring the actual payment of compensation to PAPs; and,

h. in collaboration with its regional counterpart, preparing periodic supervision and monitoring reports on RAP implementation for submission to the IBRD-PMO and the Bank.

b) Regional and District Engineering Offices of DPWH

Successful implementation of the RAP will require close coordination with the Regional Office, especially the District Engineering Office. The DEO will be the principal and regular

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2 For details on the ESS, refer to another report prepared for NRIMP, the "Institutional Strengthening: The Need for the Environmental and Social Services (ESS)".
representative of DPWH in the RICs. However, the Regional Office will be the ESS’ principal link with the District. Together with the ESS at the Central Office, the regional counterpart will extend technical support to the District in relation to RAP implementation.

7.2 RAP Implementation Committee (RIC)

The RIC will be set up and will be composed of the following:

a. Representative of the Municipal Government
b. Representative of the PAPs
c. Representative of the indigenous people (IP) within the project area
d. A senior member of the staff of DPWH District Engineering Office (or ESS staff)
e. Representative of the concerned Barangay Government
f. Representative from an NGO or people’s organization (PO)

The representative of DPWH from the District Engineering Office will be the RIC’s Chairperson and Convenor. The Committee will have the following functions:

a. assist ESS in (i) validating the list of PAPs; (ii) validating the assets of the PAPs that will be affected by the project (using a prepared compensation form); and (iii) implementing the RAP;
b. assist ESS in public information campaign, public participation and consultation;
c. assist the District Engineering Office in the payment of compensation to PAPs;
d. receive complaints and grievances from PAPs and other stakeholders and act on them accordingly;
e. maintaining record of all public meetings, complaints, and actions taken to address complaints and grievances;
f. in coordination with concerned government authorities, assist in the enforcement of laws/ordinances regarding encroachment into the project road corridor.
7.3 Grievance Procedures

Grievance related to any aspect of the or sub-project will be handled through negotiations and are aimed at achieving consensus following the procedures outlined below:

a) Grievance will be filed by the PAP with the RIC who will act within 15 days upon receipt thereof, except complaints and grievances that specifically pertain to the valuation of affected assets, since such will be decided upon by the proper courts;

b) If no understanding or amicable solution can be reached, or if the PAP does not receive a response from the Municipal Resettlement Implementation Committee within 15 days of registry of the complaint, he/she can appeal to the Office of DPWH Regional Director, through the ESS, which should act on the complaint/grievance within 15 days from the day of its filing;

c) If the PAP is not satisfied with the decision of the Office of DPWH Regional Director, he/she, as a last resort, can submit the complaint to a court of law.

PAPs will be exempted from all administrative and legal fees incurred in pursuant to the grievance redress procedures.

All complaints received in writing (or written when received verbally) from the PAPs will be documented.
8. ROLES AND RESPONSIBILITIES OF DPWH, THE LGUs AND THE COMMUNITIES

<table>
<thead>
<tr>
<th>Project Process Stage</th>
<th>Participatory Activities and Participants</th>
<th>Responsible Institution</th>
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<tbody>
<tr>
<td><strong>Preparation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-feasibility</td>
<td>1. Briefing of DPWH Regional and District Offices re proposed infra project</td>
<td>DPWH ESS Central Office</td>
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<td>2. Meeting with concerned LGUs, notably mayors, planning and development coordinators, members of the municipal/city Council, barangay captains, to give them an overview of the proposed infra project</td>
<td>ESS Central Office, with reps from regional and district offices</td>
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<td>3. General Orientation Meeting at the barangay-level preparatory to the conduct of technical, environmental and social studies relative to the proposed infrastructure project</td>
<td>LGUs as lead, supported by ESS reps</td>
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<td></td>
<td>4. Conduct of EIA and/or SIA</td>
<td>ESS Central, assisted by regional/district ESS reps, with community participation</td>
</tr>
<tr>
<td><strong>Feasibility</strong></td>
<td>1. RAP preparation, specifically the conduct of a census and socio-economic survey of PAPs</td>
<td>ESS Central, assisted by regional/district ESS reps, with community participation</td>
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<td>2. Orientation of LGUs on the draft RAP</td>
<td>ESS Central Office, with reps from regional and district offices</td>
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<td>3. Consultation with the community on the draft RAP</td>
<td>ESS offices with LGU reps</td>
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<td>4. Finalization of RAP/IPAP</td>
<td>ESS Central Office, with reps from regional and district offices</td>
</tr>
<tr>
<td>Project Process Stage</td>
<td>Participatory Activities and Participants</td>
<td>Responsible Institution</td>
</tr>
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</table>
| Finalization of Technical Design | 1. Orientation of LGUs and affected communities regarding the final version of the RAP, including the mechanics of its implementation  
2. Initial meeting with LGUs and other stakeholders to present, and get feedback on, the preliminary detailed engineering design of the infra project, the results of the EIA/IEE and the draft EMP | ESS Central Office, with reps from regional and district offices  
ESS Central Office, with reps from regional and district offices |
| Implementation               | 1. Setting-up of the RAP Implementation Committee  
2. LGU and community participation in the implementation of the RAP and EMP  
3. Internal monitoring of RAP implementation                                                                                                                                                                                                 | ESS Central with regional/district ESS reps and LGUs  
ESS offices with LGU reps  
ESS Central, assisted by regional/district ESS reps, with LGU & comty participation |
| Post-Implementation         | 1. Summing-up evaluation of the RAP, to cover its preparation and implementation                                                                                                                                                            | ESS Central, assisted by regional/district ESS reps, with LGU & comty participation                                                                                                                                  |
9. COSTS AND BUDGETS

Each RAP will include detailed cost estimates for compensation and relocation of PAPs, if that be the case, with a breakdown by category of PAPs; agricultural, residential and business land; houses, structures and other fixed assets affected; transport assistance when shifting PAPs; phases of the project and by financial year. Cost estimates will make adequate provisions for contingencies.

The total cost of the RAP will be included in the cost of the project. In the case of cost overruns due to unforeseen circumstances or delays, DPWH will allocate additional funds as necessary.

On the basis of the approved RAP, funding for the implementation of the resettlement plan will be forwarded to the Regional Office, which in turn is tasked to prepare and process the vouchers for payment of compensation to PAPs, relocation expenses, operational costs, etc. Requests for payments for the aforementioned will be made by the District Engineering Office, which is principally tasked to spearhead the implementation of the RAP.
10. INDIGENOUS PEOPLES GUIDELINES

Where a road link has significant negative impact on an indigenous people's community, the RAP will be developed to ensure full consultation, participation and consent of the people and that the information collected and the social and economic benefits they receive are in harmony with their cultural preferences in accordance with the World Bank's OD 4.20 on guidelines for indigenous peoples. NRIMP has developed the following guidelines for indigenous peoples.

The objectives of the guidelines are:

a) to provide full consultation and participation with indigenous peoples;
b) to avoid or minimize potentially adverse effects of such sub-projects.

In order for meaningful consultation and participation to take place, several steps will be put in place. These are:

a) information dissemination will be in the local language;
b) a tribal representative/leader and an NGO representative or a social scientist knowledgeable in indigenous peoples history and tradition will always be present in all discussions with clusters of indigenous peoples; and

c) all meetings will be recorded and shared with the concerned indigenous people's groups.

If indigenous peoples are affected as PAPs, information as per the Inventory (i.e., the basic census, socio-economic data and inventory of affected assets) will be collected. In addition, a social impact assessment (SIA) will be conducted and will include the collection of the following information:

a) household ownership of economic and productive assets
b) annual income from primary and secondary employment opportunities
c) economic information of community (e.g., brief information on economic and natural resources, production and livelihood systems, tenure systems)
d) social information of community (e.g., brief description of kinship, value system, types of social organization of formal/informal groups, farming groups, etc. especially those that can help group in adjusting to potential impacts from improved road)
e) potential impact of sub-project on basic social services (e.g.; water supply, health clinics, and schools)
f) potential impact of sub-project on the social and economic livelihood

The SIA will be undertaken by a trained social scientist from the local area.

Information will also be gathered from group meetings, one with a general assembly of indigenous peoples in the area and one with indigenous women, especially those who live along the zone of
influence of the proposed roadlink. Discussions will focus on the proposed roadlinks, positive and negative impacts, and recommendations for project design. If the SIA indicates that the potential impact of the proposed sub-project will be significantly adverse and/or that the indigenous people's community rejects the project, the roadlink will not be selected for improvement; instead an alternative route will be proposed.

If the indigenous people accepts the sub-project and the adverse impacts are minimal, the description of resettlement measures and the types of development assistance proposed will ensure that the social and economic benefits proposed will be in harmony with their cultural preferences. The measures and the assistance will be developed with tribal elders, community groups, IP NGOs. The assistance should also include institutional strengthening and capacity building of tribal elders, community groups working on resettlement activities within the sub-projects. This can be funded out of the project.

Community participation and consultation framework and grievance redress mechanism will be developed in culturally appropriate ways and familiar to the indigenous peoples. They will be developed with the indigenous peoples and their tribal elders, in close collaboration with local officials. The Resettlement Implementation Committee will include an indigenous people's leader representative from the sub-project area. Wherever possible, staff with indigenous background and experience will be hired as part of the social impact assessment team as well as the monitoring team.